

The weather at major Swissair destinations

	16.7.86	MIN.	C	F	MAX.	
AMSTERDAM	15	15	22	72	28	Clear
BRUSSELS	15	15	22	72	28	Clear
BUENOS AIRES	11	11	23	73	33	Clear
CHICAGO	19	19	24	75	31	Clear
COPENHAGEN	15	15	22	72	28	Clear
FRANKFURT	15	15	22	72	28	Clear
GENEVA	15	15	22	72	28	Clear
HELSINKI	15	15	22	72	28	Clear
HONG KONG	27	27	30	86	33	Clear
JOHANNESBURG	14	14	18	64	24	Clear
LISBON	24	24	28	82	30	Clear
LONDON	17	17	24	75	28	Clear
MADRID	17	17	24	75	28	Clear
MONTREAL	11	11	23	73	33	Clear
NEW YORK	18	18	24	75	31	Clear
OSLO	11	11	23	73	33	Clear
PARIS	15	15	22	72	28	Clear
RIO DE JANEIRO	17	17	24	75	28	Clear
SAO PAULO	18	18	24	75	31	Clear
STOCKHOLM	12	12	23	73	33	Clear
TOKYO	12	12	23	73	33	Clear
TORONTO	12	12	23	73	33	Clear
VIENNA	15	15	22	72	28	Clear
ZURICH	15	15	22	72	28	Clear

*For the latest weather conditions contact Swissair.

Tel Aviv: 41 Ben Yehuda St. (03) 232350
 Jerusalem: 20 Jaffa St. (02) 232350
 Haifa: 20 Seta Road (04) 232350
 Beer Sheva: 38 Ha Giv'at St. (05) 232350
 Cairo: Ben-Gurion Airport (03) 232350

swissair

THE WEATHER

	Yesterday's Humidity	Yesterday's Min-Max	Today's Min-Max
Jerusalem	47	20-31	35
Golan	30	18-35	35
Nahariya	48	21-30	34
Safad	42	25-34	30
Haifa Port	50	20-31	32
Nazareth	50	20-31	32
Afula	48	20-34	34
Shomron	41	20-35	34
Tel Aviv	51	20-30	30
B-G Airport	65	21-31	35
Jericho	28	25-40	40
Gaza	38	25-39	37
Beersheba	78	20-36	30
Elbit	57	27-41	41

SOCIAL & PERSONAL

Dr. Arye Roth of Ichilov Hospital is to speak on new approaches to cardiac treatment at a ladies' luncheon of the Rotary Club meeting at the Tel Aviv Hilton today.

Some 30 members of the diplomatic corps of 13 South American countries yesterday toured cultural facilities in the North, visiting museums and art galleries in Ein Hod, Haifa and Safad.

Birth

LOVAL - to Shirley and Jonathan, a daughter, Liron, on July 12, first grandchild to Pamela and Werner Loyal and Yehuda Pessahovitz, first great-grandchild to Gladys Sabel.

ARRIVALS

For Emmanah Women of America Dedication Conference, Melanie Oelbaum and Shirley Singer.

Dr. Samuel I. Cohen, Executive Vice President of the Jewish National Fund of America, for meetings with KKL officials and to attend the dedication ceremony of the Lake at Timna Valley Park.

LAVI

(Continued from Page One)

and above what was approved in the state budget for the present fiscal year. The Post has learned that Finance Minister Moshe Nissim has presented to Prime Minister Peres several alternative ways of having the budget cut by the necessary sums.

The ministry's first proposal is to cut the spending levels of all ministries across the board by 3.9 per cent. A second alternative would be to cut specific government operations. Finally, a third proposal recommends cutting each ministry's budget, without applying a uniform rate.

Government sources said Peres now has to determine whether he will be able to win cabinet approval for the cuts, and which alternative to pursue. The sources added that the first and third proposals were less comfortable for the premier's point of view, since they would entail cutting the Defence Ministry budget and clashing with Defence Minister Rabin.

The sources indicated that any cuts, if approved, would be in addition to the savings resulting from the efficiency measures currently being discussed by a special ministerial committee headed by Minister without Portfolio Moshe Arens. Four months ago the committee drafted a document containing recommendations for cutting government operations and reducing the public-sector workforce by 2,000.

The committee this week started discussing the document's recommendations. A different body is considered each week, and its decisions are formally binding. On Tuesday, the committee decided to have driving tests conducted by private bodies instead of the Transport Ministry, a decision which Transport Minister Haim Corfu has already rejected and is likely to appeal in the cabinet.

The topic of the Lavi came up in talks Chief of General Staff Rav-Aluf Moshe Levy held in the U.S. with defence officials. Levy, who arrived home yesterday after a week as guest of the American armed forces, said the U.S. team, which is conducting an extensive reevaluation of the project, and recently visited Israel, would complete its examination in September. The team may convey the results to Israel by mid-October in the form of certain proposals, said Levy.

HOME NEWS

200,000 expected at open-air concert

Opera star, IPO line up to aid Mexico earthquake victims

By MICHAEL YUDELMAN

Jerusalem Post Reporter
 TEL AVIV - Opera star Placido Domingo, who arrived in Israel yesterday evening, is to sing at Hayarkon Park on Saturday night.

His outdoor concert with the Israel Philharmonic is expected to be attended by some 200,000 people. The proceeds will go to child victims of last year's earthquake in Mexico. Some of the singer's relatives were among the quake victims. His performances during the past year have been dedicated to raising funds for the child survivors.

The glamorous, charismatic singer was greeted at the airport by Tel Aviv Mayor Shlomo Lahat. Hanan Ben-Yehuda, the director of the Tel Aviv Foundation that invited Domingo, and members of Israel's defunct opera company with whom he sang from 1962 to 1965.

The outdoor concert will not be a new experience for the 43-year-old singer, who recently performed before between 600,000 and 800,000

people at New York's Central Park. Smiling and speaking Hebrew quite fluently, Domingo expressed delight at being back in Israel and said he would be happy to perform with the new opera company being formed here.

Domingo, who starred in movies, TV films, and sings popular love songs, recently featured in the highly-acclaimed movie version of the opera *Otello*, produced by Menahem Golan and Yoram Globus and directed by Franco Zeffirelli.

Domingo won the hearts of pop fans with his hit "Perhaps Love." He intends to continue recording popular love-songs in order to reach a wider public which he hopes eventually to lead to opera. Next month he is due to give a concert of love songs with Julie Andrews and John Denver in Los Angeles.

Born in Madrid and raised in Mexico, Domingo joined the Israel Opera in 1962, when he heard they needed a tenor. During his two-and-

a-half years here, he appeared in 280 performances in 11 different roles. He then returned to the U.S. where he became an international star. To date he has appeared in 2,000 shows.

"The Israel Opera and my friends here have always remained in my heart and I'd like to perform my version of *Otello* with the new Israel Opera," he said yesterday, adding that he would also like to tour the country. He intends to return for a longer visit in September.

Lahat noted that the Hayarkon concert, which will be attended by Prime Minister Shimon Peres, President Herzog, cabinet ministers and Knesset members, will be an important musical event. Although entrance is free, everyone attending will be asked to contribute toward Mexico's victims.

Today, Domingo begins rehearsals for the concert with conductor Zubin Mehta and violinist Itzhak Perlman. The event will end with a fireworks display synchronized with a duet from Verdi's *La Traviata*.



Placido Domingo arrives yesterday at Ben-Gurion Airport. (Guthmann)

Aquino's man asks for aid

Post Diplomatic Correspondent
 The post-Marcos era in Israeli-Philippines relations was inaugurated yesterday with the Aquino regime's request for Israeli help to modernize the Philippines economy.

Luis Villafuerte, head of the visiting Filipino government delegation, asked Foreign Minister Yitzhak Shalom for help in the fields of irrigation, solar energy and agriculture. Apart from requests for technical assistance, the visiting Filipinos asked for Israeli assistance in opening up foreign markets to Filipino produce.

As the Manila government minister in charge of the reorganization of government ministries, Villafuerte must make the structural changes in government needed to change from the semi-dictatorial Marcos regime to the fully-democratic Aquino administration. Villafuerte, who is also governor of Samarini-Sur Province, arrived with Corazon Aquino's brother, who is a businessman and a senior government official.

Yesterday's meeting between Shamir and the Filipino officials was attended by Israeli business tycoon Saul Eisenberg, who has extensive business interests in the Philippines.

Shamir told the Filipinos that Israel was in no position to offer major economic aid but would certainly provide technical assistance. He proposed "trilateral cooperation" on various economic projects, involving the two countries and the U.S., which presumably would be asked to supply the funds.

Shamir complained about the Philippines' pro-Arab voting record during the later Marcos years, and expressed the hope that, under the new administration, Manila would move to a pro-Israeli position in its UN voting.

Beersheba blast

BEERSHEBA (Irim) - An explosive charge went off yesterday afternoon along Beersheba's main street. Eye-witnesses said two people were lightly injured, but a police spokesman later reported that there were no injuries.

Fire bomb hurled at Egged bus

Jerusalem Post Staff
 One passenger was lightly injured by glass splinters when a fire bomb hurled by terrorists smashed the window of an Egged bus near the town of Halhoul last night, military sources said. The bomb did not explode.

SCHOOL

(Continued from Page One)
 sharply increasing university tuition fees.

"Their overall recommendations include cutbacks in a number of ministries, but we seem to be bearing the brunt," said an Education Ministry source.

"We have already told the Treasury we have nowhere to cut from on the demands they have made so far. These latest demands will put us in an impossible position."

Navon described the proposals as so outrageous that "they cannot be considered as being serious." Whoever suggested them to the ministerial committee, he said, could cause the blocking of the effort to curb government spending.

"Part of these recommendations are impossible to implement and others should not be implemented at all," he added.

Navon was backed yesterday by the Knesset Education Committee, whose chairman, Nahman Raz, said that the proposals would be blocked by his colleagues, even if they won cabinet approval.

A spokeswoman for the committee said: "We would like to remind these four ministers that when it was attempted to raise students' fees last year, the proposal failed to get through."

New E. Jerusalem paper is planned

Sufian al-Khatib, brother of the publisher of the East Jerusalem *Al-Mithaq* newspaper and *Al-Ahd* magazine which have been threatened with closure, said yesterday he had applied for a permit to publish a new newspaper following the same line as the threatened publications.

Al-Mithaq editor and publisher Mahmoud al-Khatib said after meeting that Jerusalem District Commissioner Raphael Levy had promised to study the issue before announcing his decision at a later date.

Electoral reform setback

By ASHER WALLFISH

Post Knesset Correspondent

The campaign for electoral reform suffered a temporary setback yesterday when the preliminary reading of a private member's bill sponsored by 44 MKs was postponed for one week at the demand of the Likud.

Vice Premier Shamir met Premier Peres and reminded him that private bills which do not have the prior go-ahead from the two big parties cannot be debated in the Knesset.

Alignment sources claimed that Peres told Shamir he would wait another week but no more. The Labour Party is committed to reform by its election platform.

At the beginning of next week a committee of ministers representing the Likud and the Alignment will meet and try to iron out the differences that paralyzed its work 18 months ago. Economics Minister Gad Ya'acobi, who originally chaired that committee of ministers, threw up his hands at the time, and

Alignment MK Simha Dinitz took over, to mobilize the 44 signatures. Dinitz added the signatures to a bill by Shimui MK Mordechai Virshupskii.

Although 14 Likud MKs are among the 44 sponsors, the Likud as such does not favour reform, and the religious factions which oppose reform are exerting strong pressure on the Likud to bury it.

Dinitz claimed that Peres told Shamir the private bill would come up next week whether the committee of ministers chaired by Ya'acobi worked out an agreement or not.

Dinitz told reporters that the public wanted electoral reform, so he would not remove it from the public or the parliamentary agenda.

Outside the Knesset yesterday the campaigners for electoral reform, including the Committee for Concerned Citizens and student bodies, demonstrated and urged the Knesset to put political life onto a healthier electoral basis.

Birzeit students burn king's portrait

Threats to Hussein's West Bank supporters

By JOEL GREENBERG

Jerusalem Post Reporter

Birzeit University students tore up and burned pictures of King Hussein and threatened his supporters with "liquidation" at a campus protest yesterday against Jordan's policy towards the PLO and the West Bank.

Army roadblocks kept non-students away from the campus, and rally organizers said the measure reduced attendance at the meeting.

About 150 students in the campus auditorium applauded enthusiastically as activists burned photos of the king and a large Palestinian flag was carried onto the stage. "We will topple Hussein," they chanted.

"Not only pictures will be burned, but also traitors, led by the agent king and his supporters in Amman," a student activist said.

A Student Council statement warned that "the fate of anyone considering support for the regime of King Hussein will be liquidation."

The statement echoed a Fatah handbill circulated this week in the West Bank which called for armed action against supporters of Jordan.

A Student Council spokesman attacked deposed Gaza mayor Rashad Shawwa for criticizing the PLO in an interview on Jordan TV yesterday. Shawwa said the PLO had not represented the views of the Palestinians in the territories, and he called on the organization to accept UN Resolution 242.

"We say to America and Israel that the PLO was and remains the credible and legitimate representative of our views," the spokesman said.

Bruno: Government must decide on Recanati's post

Jerusalem Post Staff

TEL AVIV - Israel Bank Governor Michael Bruno said last night that he did not have the authority to decide whether Raphael Recanati may continue as head of IDB Bankholding, owner of 60 per cent of Discount Bank.

Speaking on the Moked television

programme, Bruno said that Recanati's continued involvement with the bank, and the partial involvement of other bank heads with their banks, had to be considered by the government. He added that the Bejski Commission recommendation that the men be banned from banking forever was excessive.

'Rip-off' taxi drivers face ministry clamp down

By ARYEH RUBINSTEIN

Post Knesset Reporter

Taxi drivers have become more difficult because bus fares have jumped so much, Transportation Minister Haim Corfu said yesterday.

Replying to a motion for the agenda by Shas MK Shimon Ben-Shimon, Corfu said the higher bus fares had led people to make greater use of taxis. As a result, he said, there had been more instances of cabbies refusing to take passengers on short trips, failing to use the meter, and demanding exorbitant fares.

The Transportation Ministry was therefore preparing a regulation authorizing the Controller of Road Transport to suspend the licence of any driver found guilty of these offences, he said.

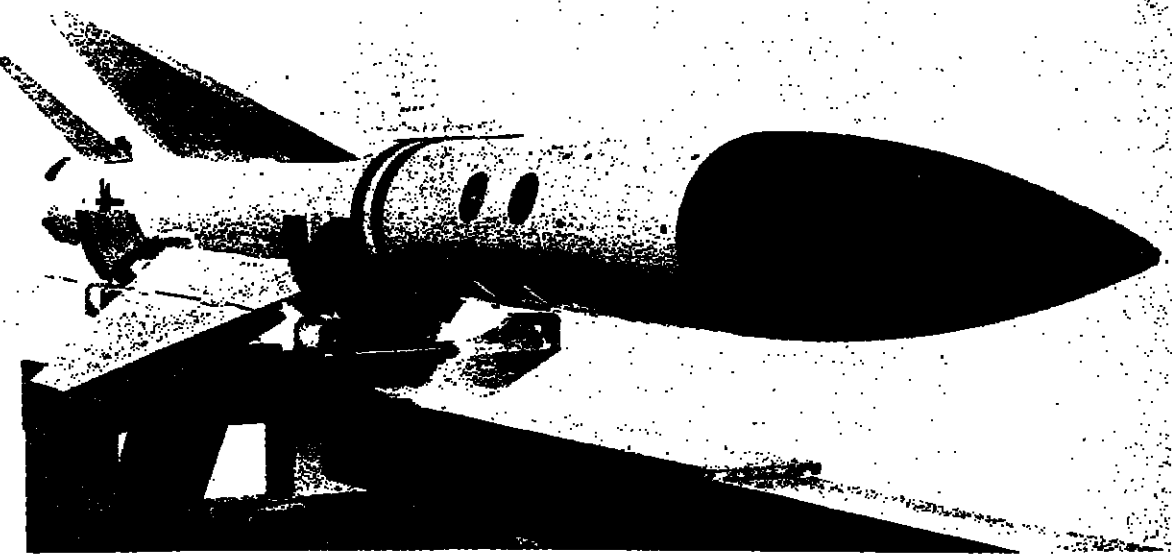
Every complaint submitted to the ministry concerning improper be-

haviour by a taxi driver would be carefully examined, Corfu promised.

More complaints (479) had been received so far this year than in all of last year (439), Corfu said. Of this year's complaints, 102 had already been passed on for trial. Of the 89 cases completed, there had been 71 convictions and 18 acquittals.

Corfu admitted that the taxi drivers' income had been eroded. But they would have to wait for redress until fares were officially raised, in accordance with the government's general price policy.

The minister said that, in order to make short trips more profitable to the driver, the minimum fare would be doubled when fares were next raised.



"Barak 1", an anti-missile system jointly developed by Rafael (the Armament Development Authority) and Israel Aircraft Industries, recently completed a successful firing test.

Big guns 'have pounded terrorists'

By AVI HOFFMANN

Post Defence Reporter

IDF artillery units are an integral part of the anti-terrorist deployment on the northern border and have been used effectively against terrorist groups that posed a threat to

Israeli soldiers or civilians in the north, the commander of the Artillery Corps, Tat-Aluf (Brig.-Gen.) Oded Tira said yesterday.

Artillery was used on May 20 to help extricate an IDF force operating in the South Lebanese Security Zone near the Litani River. Three or

four terrorists were killed by the shelling; this was an example of how a few pin-point rounds could hit small targets, he said, adding that this had had a clear deterrent effect.

The corps yesterday unveiled a new command, control and communications system for artillery batteries called Combat, which is locally made by Elbit. Tira was talking on the occasion of Artillery Day.

BLACKOUT

(Continued from Page One)

officials who received presidential pardons, the prime minister's military aide, Aluf-Mishne Azriel Nevo, and Police Inspector-General David Kraus. The police chief consulted with Harish on the legal means of preventing publication of the pending police investigation into the Shin Bet affair that was decided upon by the cabinet earlier this week. The probe is slated to begin on Sunday.

The special police team carrying out the probe is to be headed by

Criminal Investigations Division chief Yigal Marcus. The team is to include top police officers who are jurists or former IDF officers.

The team is to investigate suspicions that perjury and suborning of witnesses occurred in the cover-up of the killings. The questions that will guide the probe are to be formulated by Kraus himself.

Prime Minister Peres met yesterday with the committee he has appointed to set guidelines for the Shin Bet's activities.

The Weizmann Institute of Science

mourns the passing of

GLADYS TRAUB

and expresses its profound condolences to Professor WOLFIE TRAUB and her family.

Our dearly beloved wife, mother, daughter and sister

GLADYS TRAUB

passed away July 16, 1986.

The funeral will take place today at 4 p.m. at the Rehovot Cemetery. A bus will leave from her home on the Weizmann Institute campus at 3:30 p.m.

the families: Traub, Lavender and Sigman

אשרי חיים

Commonwealth turmoil over South Africa sanctions

Queen, Thatcher head for row

LONDON (Reuters). - Senior members of Prime Minister Thatcher's government are covertly pressing her to back off from a constitutional rift with Queen Elizabeth over the South African crisis, political sources said yesterday.

In an unusual move, a number of cabinet ministers have anonymously briefed British national newspapers on their concern that monarch and prime minister are headed for a clash unless Thatcher agrees to sanctions against Pretoria.

The carefully concerted and unattributed leaks, almost identically phrased, appeared in five national newspapers yesterday, including four sympathetic to the government.

The queen, widely reported to fear the break-up of the 49-nation Commonwealth unless Thatcher backs sanctions, has already delayed the start of her annual Scottish holiday in order to meet Commonwealth

leaders at their London summit next month.

Commonwealth officials were quoted by the Press Association, Britain's national news agency, as indicating that the queen would intervene as mediator between Thatcher and the six other heads of government.

Thatcher had her regular weekly audience with the queen on Tuesday night, but as usual no word of what was discussed was made public.

But the queen is intensely conscientious in her role as head of the Commonwealth and proud of the affection and loyalty she inspires around the world.

She sees the Commonwealth - which groups Britain's former colonies and dominions - as a vital bond between the industrialized nations and the third world.

Many newspaper reports said she

is also alarmed at the spreading boycott of the Commonwealth games due to open in Edinburgh on July 24. Yesterday Malaysia joined four African countries in the boycott.

Only hours before seeing the queen, a defiant Thatcher repeated to Parliament that she would not support full economic sanctions against Pretoria, declaring again that they would cause only misery to the black majority.

A senior member of the opposition Labour Party said that Thatcher seemed set to ignore even the queen's advice over sanctions and place the entire Commonwealth in jeopardy.

"A constitutional crisis now seems imminent unless the prime minister relents from her stubborn stance," a foreign affairs spokesman said in a television interview.

Heavy Soviet losses reported in Afghan war

ISLAMABAD, Pakistan. - Between 100 and 200 Soviet soldiers are being killed and wounded each month in fighting in Afghanistan, and the Red Army suffered more than 600 casualties during the first five months of this year, sources said yesterday.

The sources said reliable intelligence reports from Afghanistan indicated Soviet forces were suffering between 50 and 100 dead and wounded every two weeks. Soviet forces sustained more than 600 men killed and wounded between January and May, said the sources, who have proved highly reliable in the past.

The Soviet Union routinely declines to provide any information on its force in Afghanistan, which Moscow describes as a "limited contingent." The Soviet troops are helping the Communist government of Afghanistan in its war against Moslem guerrillas.

Western intelligence estimates put the Soviet force at 115,000, but very little is known about the force and the information provided to the Associated Press was one of the first authoritative estimates of Soviet casualties.

Recent western intelligence estimates of Soviet losses in Afghanistan for the past seven years have put the figure anywhere between 5,000 and 10,000 dead and wounded.

Soviet troops have been playing a greater role in the fighting against

the guerrillas and have launched a number of major offensives against the insurgents. Both sides were reported to have suffered heavy casualties during the last such offensive in May and June in eastern Afghanistan's Paktia province.

There are no figures on guerrilla casualties.

Un-sponsored talks are due to resume in Geneva on July 30 between Pakistan and Afghanistan on finding a political solution to the Afghan conflict. The key remaining issue to be resolved is the withdrawal of Soviet forces with the two sides disagreeing on how long it should take.

Soviet forces entered Afghanistan in December 1979 to shuffle the leadership of the communist government that had seized power the year before in a coup.

Meanwhile, Afghan troops have razed parts of Herat in their battle against the Moslem rebels resisting a government offensive to flush them out of the city, western diplomats said. They said that the old part of the city was the worst affected, adding that hundreds of wealthier inhabitants had fled to Iran to escape the fighting.

Quoting reports from Afghanistan, they said troops had been conducting house-to-house searches in the parts of Herat under their control. Houses where it was thought guerrillas had been hiding were blown up. (AP, Reuters)

Chirac bows to Mitterrand on privatization legislation

PARIS (AP). - France's conservative Premier Jacques Chirac yesterday defused an impending political crisis by accepting Socialist President Francois Mitterrand's refusal to sign a decree privatizing 65 state-owned companies.

After a cabinet meeting, government spokesman Alain Juppe announced that the plan would be presented to parliament and would be voted into law in the normal fashion, after a new draft law is presented to next week's cabinet session.

Mitterrand had announced on Monday that he would not sign the decree, arguing that it did not provide sufficient guarantees that strategic industries would not fall into foreign hands, and raising queries about how the companies,

including banks and insurance companies to defense industries, would be valued.

But he said he would sign a privatization bill if voted by the conservative majority in the National Assembly, once the parliamentarians had "faced up to their responsibilities" in the matter.

Mitterrand yesterday did sign another decree aimed at reducing youth unemployment and budgeting 4.5 billion francs (about \$643m.) for that task.

His refusal to sign the privatization decree was the first major hitch in the political "cohabitation" in force in France since the conservative parliamentary majority was elected March 16 while Mitterrand's presidency still had two years to run.

Cosmonauts return after four months

MOSCOW (AP). - Cosmonauts Leonid Kizim and Vladimir Solovlev, the world's record-holders for space endurance, returned to earth safely yesterday after more than four months in space.

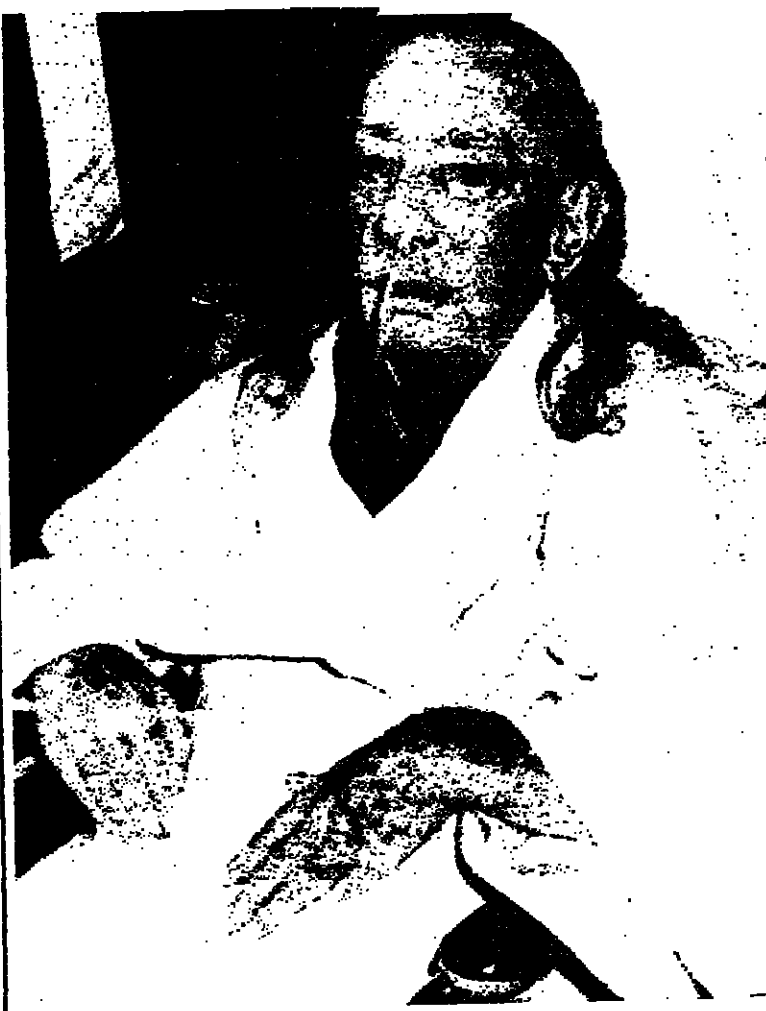
The official news agency Tass said that the two cosmonauts made a soft landing north-east of the city of Arkalyk in central Kazakhstan some 3,000 kilometres east of Moscow.

Both cosmonauts "are feeling fine" after the landing and a 125-day mission, Tass said.

Kizim and Solovlev blasted into space on March 13 in the Soyuz T-15 craft.

The craft has served as what Soviet media have called a "space taxi," ferrying the cosmonauts first to the new Soviet space station, the Mir (peace), then to an older orbiting station, the Salyut-7, back to the Mir and finally, home.

\$15m. SUIT. - The family of Michael Smith, the pilot on the ill-fated space shuttle Challenger, has filed a \$15 million negligence claim, alleging the U.S. space agency should have known "a catastrophic accident" was likely.



"I can never die - because I am a genius," surrealist painter Salvador Dali announces yesterday as he is released from a Barcelona hospital. The 82-year-old Dali had undergone an operation to implant a pacemaker in his chest. (Reuters telephoto)

Two Germanys swap charges over 'kidnapped' scientist

BONN (Reuters). - East and West Germany clashed yesterday over a senior East German professor allegedly kidnapped by the West German secret service on Tuesday and now hiding in the Communist state's mission to Bonn.

East Berlin newspapers charged that Herbert Meissner, 59, deputy chairman of the East German Academy of Sciences, was seized by West German agents and interrogated before escaping and seeking refuge at the Bonn mission.

But a West German government spokesman called the charges absurd and said Meissner was an East German intelligence agent who had sought asylum in the West and then changed his mind.

A spokesman for the East German mission confirmed Meissner was there and said East Berlin is insisting he be given free passage to return home.

The Bonn government, wary after a controversy over a similar case five years ago, said it would first demand a meeting with him to ensure he is going of his own free will.

Meissner has been closely involved in campaigns decrying the American "Star Wars" programme as well as promoting domestic development of microelectronics.

The Academy of Sciences, like its equivalents throughout the Soviet bloc, has a strong political as well as scientific importance.

Electric cars fight pollution in Dutch capital

AMSTERDAM (AP). - Those objects that look like telephone booths moving along Amsterdam streets aren't the latest in mobile communications. They're the city's answer to urban congestion - electric cars for rent.

Known as the Witkar - meaning "white cart" in Dutch - the two-metre-tall plastic cylinders on wheels seat two, go 35 kilometres per hour, provide 360-degree visibility and rent for 10 Dutch cents (\$0.4) a minute, plus a small monthly subscription fee.

The battery-powered vehicles, only 1.2 metres in diameter, have been in operation intermittently since 1974 in an attempt to provide a cheap, drive-yourself answer to the city's pollution, parking and traffic problems.

The Witkar project stemmed from an abortive 1960s plan by the city's hippie community to provide free bicycles for use around the city, according to Witkar originator Luud Schimmelpenninck.

Subscribers to the Witkar cooperative, who pay a four-guilder monthly fee, can pick up one of the 12 available vehicles at any of four recharging stations in the centre of the Dutch capital.

At the stations, the vehicle's batteries are charged by an overhead electric rail.

Subscribers carry disc-shaped credit cards which trigger the vehicle's computer. The computer unlocks the Witkar's doors and automatically bills the user's bank account for the duration of the ride.

When the user is finished with the

car, he returns it to a recharging station.

The cars have a driving radius of nine kilometres on one charge, said Schimmelpenninck, a 51-year-old industrial designer who was once a prominent figure in the Dutch hippie movement.

But he conceded that the system, which has been plagued by financing problems, is still much too small. "It's just like a streetcar," Schimmelpenninck said. "You can't run one with only two or three stops."

He is planning to expand to 25 recharging stations and 100 cars, which would require about \$1 million of additional capital.

The system ultimately could pay for itself via fees and advertising placards on the cars. Schimmelpenninck claimed.

Syria and France vow to improve relations

PARIS (Reuters). - France and Syria yesterday agreed on steps to improve their relations during talks between Prime Minister Jacques Chirac and visiting Vice President Abdel-Halim Khaddam, French officials said.

Chirac's spokesman told reporters the prime minister might visit Damascus before the end of the year as part of what he called a "strengthening of ties."

Khaddam, visiting Paris for the very first time in 10 years, said Paris and Damascus held common views on the Middle East and Lebanon and he was very satisfied with his meeting.

"I think that my visit will constitute a turning point," he told reporters after more than two hours of talks with Chirac.

The Syrian official was invited

here as part of a French rapprochement with Teheran and Damascus in the hope of speeding the release of the seven remaining French hostages held by Moslem extremists in Lebanon.

The concrete result of the talks was a decision to send French experts to Damascus probably within a month for talks on cultural, technical, commercial and diplomatic issues, Chirac's spokesman said.

Prior to his departure for Paris, Khaddam reportedly considered plans for sending thousands of Syrian soldiers to Beirut's suburbs to clean out terrorist strongholds there, according to unconfirmed reports from Radio Free Lebanon. The radio report said that Khaddam outlined the plan with Syria's chief of intelligence in Lebanon, Ghazi Knaani.

Lebanon expects renewal of UN peacekeeping force

BEIRUT (Reuters). - The U.S. and Britain told Lebanese President Amin Gemayel yesterday that they support the work of a UN peacekeeping force, whose mandate to operate in South Lebanon expires in three days.

Lebanese Foreign Ministry sources said they expect the mandate to be renewed on schedule on July 19.

Meanwhile, the headquarters of the Syrian military observers here was hit yesterday by two Katyusha rockets, according to the French Press Agency. No one claimed responsibility for the attack on the Beaurivage Hotel, where a bomb

also exploded last week.

A Saudi Arabian was seized yesterday in West Beirut, then freed 30 minutes later. The kidnapping of Suleiman Mubarak was the first reported abduction since Syrian troops were deployed in the western sector of the city to restore order earlier this month. There were no details of the incident.

Near Sidon, clashes took place late yesterday morning in the Ein el-Hilwe and Mich Mich refugee camps between Palestinians and Shi'ite Arab militias. The shooting was the first between the two sides there since Syrian forces entered West Beirut.

Syrians report capture of Israeli spies

Syrian security forces reported the arrest of a large Israeli spy ring headed by a man who formerly worked with Israeli spy Eli Cohen, who was executed by the Syrians in 1965, a Damascus paper said Tuesday.

The ringleader, known as

"Zuzu," was a well-known eccentric who dressed in outlandish women's clothes and lived near the Syrian General Staff building and Air Force headquarters, according to *Al-Halij*. "Zuzu operated for about 25 years before his arrest," the paper said. (Itim)

Tunisia reportedly will accept Arafat deputy

Recent reports that the Tunisian government has refused to grant PLO leader Abu Jihad residency are untrue, according to a statement yesterday by PLO Executive Committee member Mahmoud Abbas (Abu Mazin).

Abbas made the denial to the Kuwaiti newspaper *al-Watan*. Jihad, Yasser Arafat's deputy, was expelled from Jordan last week and said he would relocate in Tunisia. Tunisian officials reportedly fear Israeli reprisals if they host Jihad.

King Hassan postpones visit to Washington

RABAT (AP). - King Hassan II of Morocco announced yesterday he has postponed his planned visit to Washington for "several days" for unspecified health reasons.

Some Moroccan officials said privately that the king's trip, scheduled

to begin July 22, may be put off at least until September.

The king's talks with President Reagan were to have focused on the Western Sahara conflict, the Middle East, and the treaty of union between Morocco and Libya.

Mubarak tours Europe

ROME (AP). - Egyptian President Hosni Mubarak met here with Premier Bettino Craxi and top financial officials yesterday during the first stop on a European tour to seek support for his country's economic needs.

Later yesterday, Mubarak arrived in Paris for the second leg of his journey.

Iraq slams Syria

BAGHDAD (Reuters). - *Al-Thawra*, the organ of Iraq's ruling Ba'ath Party condemned in an editorial yesterday the Syrian military intervention in Lebanon as "gross aggression."

The newspaper called on the Arab League and the UN to take immediate measures to prevent the "Balkanization of Lebanon."

FOREIGN NEWS IN BRIEF

New clash in riot-torn Indian city of Ahmedabad

NEW DELHI (Reuters). - Police fired teargas yesterday to disperse a crowd setting fire to shops in Ahmedabad as the death toll in Moslem-Hindu rioting across India's Gujarat state rose to at least 54.

Most city districts were reportedly quiet after a week of sectarian violence, but police fired half a dozen teargas grenades at rioters in a northern suburb. Most of the industrial city of 2.5 million was still under curfew.

Former Turkish premier to stand trial today

ANKARA (AP). - Former Turkish premier Bulent Ecevit is to go on trial today on charges of violating a law barring him from political activity. Turkish news agencies reported yesterday.

The Ankara state prosecutor's office indicted Ecevit in June because he addressed a convention of the Democratic Left party on May 18. The party is headed by his wife, Rahsan.

Ecevit could receive a prison sentence of from one to three years. Ecevit, who twice served as premier in the 1970s, is banned from politics until 1992 by a temporary clause of the 1982 constitution promulgated by the then ruling military government.

Prince Andrew has last bachelor fling

LONDON (AP). - Prince Andrew celebrated his last days as a bachelor with a stag party on Tuesday night at the West London mansion of his cousin Viscount Lascelles.

Members of the Lascelles family confirmed that the party, attended by show business personalities, took place at their home but said they did not want to give details. Andrew is to marry Sarah Ferguson on July 23.

Andrew's guests reportedly included his brother, Prince Charles, pop singer Elton John, Scottish comedian Billy Connolly, and television personality David Frost.

U.S. radioactive dust is cleaned up

CINCINNATI (AP). - Westinghouse Materials Co. of Ohio says it has cleaned up a spill of about 45 kilos of radioactive uranium oxide dust at its processing plant in suburban Fernald.

A plant spokesman said no one was injured in the accident on Tuesday at the U.S. Department of Energy's feed materials production centre and all the material was recovered. The material spilled as an operator hit a pothole while towing four drums of uranium oxide powder on a trailer.

Little hope for 12 trapped Australian miners

BRISBANE (Reuters). - Rescuers said yesterday that they had little hope of finding alive 12 miners trapped after a coal mine collapse, although they had dug to within 100 metres of where they think the men are.

Poisonous carbon-monoxide gas was preventing rescue teams from getting closer to the men trapped 200 metres underground at Moura mine in Queensland. Seven miners escaped uninjured in the collapse.

Balcony collapses at Manhattan theatre

NEW YORK (AP). - A portion of the upper balcony of a Manhattan movie theatre collapsed yesterday during the climax of *Psycho III*, injuring at least four people, authorities said.

The World Family of
United-Israel Appeal
Keren Hayesod

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The Lisker Family

of the Federal Republic of Germany

on the dedication of

Gan Limon in Beersheba

July 17, 1986

המנהלת המאוחדת לשימור קרן היסוד
United Israel Appeal Keren Hayesod



0002-20-02

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Shlomo Lahat
Mayor of Tel Aviv-Yafo

Government bill on racism still hanging in the balance after two years on agenda

By ASHER WALLFISH
Post Knesset Correspondent

The government bill prohibiting publication of incitement to racism, which has been on Israel's political and parliamentary agenda, in one form or another, for close to two years, still hangs in the balance. Its prospects of being passed into law before the Knesset goes into summer recess are not bright.

Although Israel formally subscribed to an international convention banning racial discrimination in 1969, and most democratic parliaments passed legislation, as the international convention required, to outlaw incitement to racism, successive governments here consistently argued that additional legislation would be superfluous, since the existing laws were more than adequate.

It was only after Kach party boss Meir Kahane got into the Knesset in the 1984 elections that the government, with the active encouragement of the Justice Ministry, agreed that Kahane could not be easily muzzled by the Israeli criminal code as it stood.

Accordingly, Prime Minister Peres made a public commitment in November 1984 to pass a law "very soon" prohibiting incitement to racism.

A month later, under the standard procedure, the Justice Ministry sent its draft of the proposed measure to all the other ministries for comment and consideration.

No reservations were raised by any of the religious cabinet ministers. The Ministerial Committee on Legislation approved the final draft in February 1985, and the cabinet approved it two months later. The form as approved for tabling in the Knesset provided for a maximum of two years' imprisonment for anyone

publishing incitement to racism. It was listed as amendment number 24 to the Penal Code.

The first reading opened in the Knesset in May 1985, and the proposal was voted to the Law Committee a couple of weeks later.

During the first reading of the proposed law, only Aguda MK Menahem Porush mentioned its Halachic implications. The three other Orthodox factions – the National Religious Party, Shas and Morasha – did not comment.

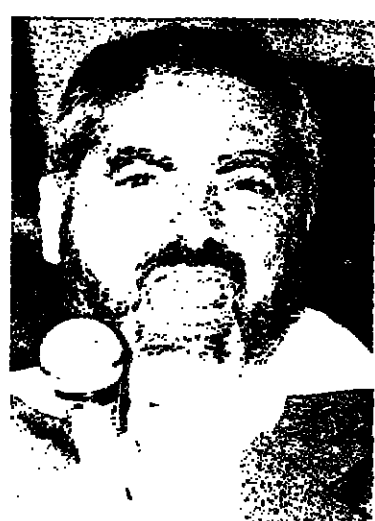
The real trouble began when the proposal landed in the Law Committee. Committee chairman Eli Kulash, supported by some leading academics, said the proposal was misguided. Kulash, however, claimed that he would do all in his power to push the measure through his committee.

Then the proposal suddenly turned into a political football kicked between the Alignment and the Likud. Leading Likud MKs, while proclaiming that they favored the measure, made their support for it conditional on the Alignment supporting a completely different government measure, prohibiting meetings between Israelis and PLO officials.

The bill prohibiting meetings with PLO officials, being a government measure, obliges the Alignment to support it. However, a number of Alignment MKs object, and threaten either to absent themselves from the vote or to vote against.

Meanwhile, inside the Likud, any tactic capable of exposing Alignment MKs willing to condone meetings with PLO officials was seen as legitimate.

A number of Likud MKs are worried that their sympathy for a "Greater Israel" policy somehow does not



Meir Kahane – not easily muzzled (Rahamim Israeli)

square with limitations which the anti-Kahane measure might impose on debate about the relative rights of Jews and non-Jews to Judea and Samaria.

The controversy grew still more complex after Shas, Aguda and Morasha publicly warned their coalition partners that the anti-racism measure, which allegedly constituted a violation of Halacha, was unacceptable to them.

The warning by these three Orthodox factions was taken by the Likud as a threat to their alliance, which was created after the 1977 elections.

The Law Committee floundered through the winter term of 1985-86, making a half-hearted effort to prepare the measure for return to the plenum, where it was due to be given its second and third readings. Chairman Kulash piloted the measure around in circles. Attendance at his meetings was perfunctory.

In February this year, when Kulash announced he was bringing the measure back to the plenum for the second reading, the coalition executive stepped in. There, the Orthodox factions increased their drive against the measure, and the Likud again demanded linkage to the ban on meetings with PLO men.

In an aborted attempt to satisfy the Orthodox factions two ministers from the Alignment and the Likud suggested adding the phrase "with intent to" (incite to racism).

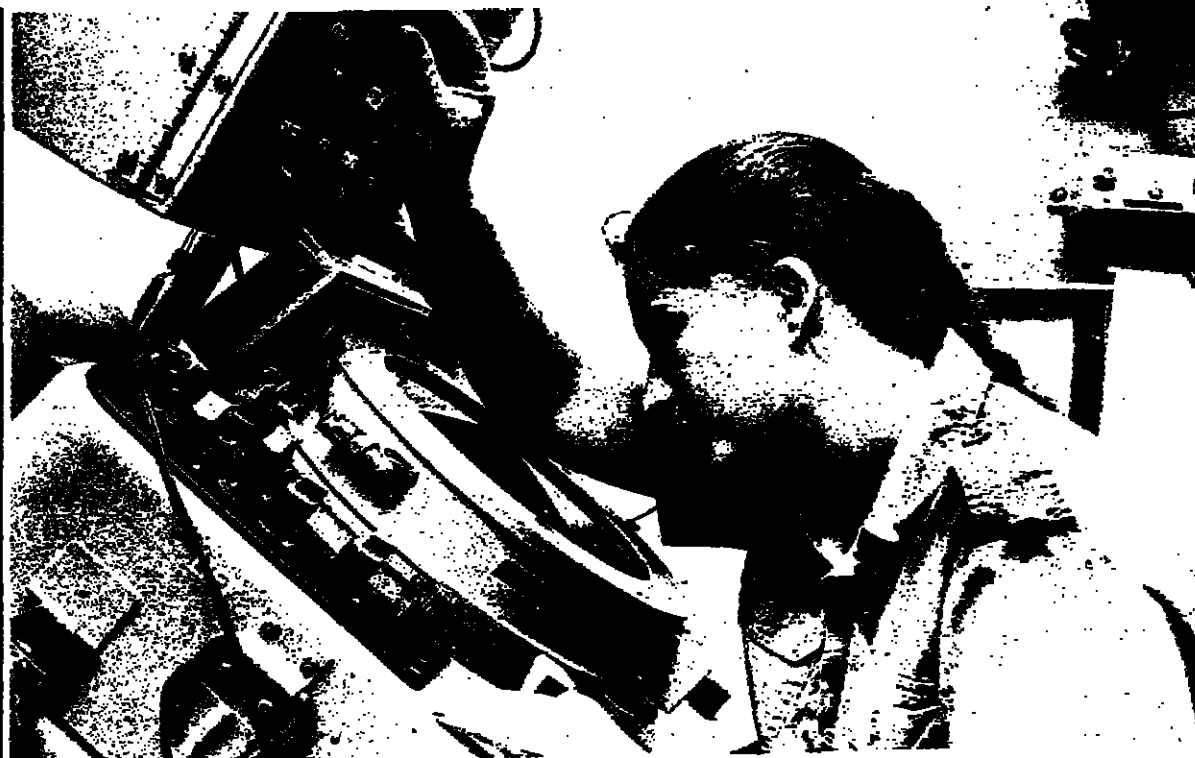
Since that suggestion in February, no further progress has been made with the anti-racism measure. The protests of Knesset Speaker Shlomo Hillel have been ignored.

The Alignment tried at the last Law Committee meeting to refer the anti-racism measure back to the plenum for the final readings. The Likud foiled this, using the majority it wields with the Orthodox factions and Tehiya.

The latest Likud delaying tactic, planned for the next Law Committee meeting in 10 days' time, will be to try to insert the phrase "with intent to" (incite) into the body of the bill. The Alignment has so far objected, on the grounds that intent is always the hardest element to prove in criminal law.

What the Likud would like to do, apparently, is to delay a final decision until after the long recess – which also means after the rotation between Premier Peres and Vice Premier Shamir in October.

As long as the anti-racism measure is in limbo the Likud will have the Orthodox factions giving anxious attention to its every move. But the Alignment, too, is loath to anger the Orthodox factions over the anti-racism measure, and indeed over many other measures.



Coastal surveillance in the Israel Navy: a shore-based soldier monitors the movement of vessels, using a radar device. (Joel Fishman)

Praise for two radar operators who detected terrorist boat

By AVI HOFFMANN
Post Defence Reporter

"You are the electronic eyes of the country," enthused Defence Minister Yitzhak Rabin yesterday, as he presented prizes to two radar operators who detected the rubber dinghy in which terrorists attempted to infiltrate into Israel last Thursday.

"Thanks to you a catastrophe was prevented," said the minister on a visit to the main Women's Corps training base in the centre of the country.

The terrorist craft was intercepted by an Israel Navy patrol boat and driven to the shore just north of the Israel border, where an infantry unit engaged the terrorists, killing all four. Two IDF soldiers died in the clash and nine were wounded.

"It's a tremendous feeling after all those months of peering at radar screens finally to have helped prevent a catastrophe," said Navy Corporal Malka Lassri, a 20-year-old

from Acre who was the first to spot the suspicious object on her screen after midnight. She called over the corporal in charge of the shift, Sarine Hayman, also 20, who after almost 20 months in the army has served twice as long as Lassri.

Hayman identified the object as a rubber dinghy with four figures on board, and she immediately informed a Dabour patrol in the area.

"Suddenly I realized the meaning of war," said Hayman. "I was scared, but I don't think I showed it, and I matured quickly in those few tense minutes," she said. Her family immigrated from France in 1969 and live in Pardes Hanna.

"It was hard to believe that it was a real terrorist boat," said Lassri, flashing a dazzling smile.

"How do you keep alert during the long monotonous shifts in front of the screens?" she was asked. "No problem," interjected Sergeant-Major Shuli, commander of the Nav-

al installation where the two serve. "These girls are very responsible, and they are aware of the need to keep alert."

Shuli, a 13-year veteran of the service, added: "We are getting ready to open our 15th bottle of champagne to celebrate the 15th successful interception at our installation."

The sergeant-major shepherded her "girls" through the barrage of questions fired at them by reporters and the pushing and shoving of the photographers. Although obviously bewildered by emerging from the quiet of the backroom to the glare of the TV floodlights, both young soldiers bore the onslaught with equanimity.

The two navy women stole the limelight, but the defence minister was introduced to a dozen women soldiers who told him about their work in the IDF ranging from clerical work to electronics instructions.

New group urges religious-secular unanimity

By MENACHEM SHALEY
For The Jerusalem Post

A recently formed group of rabbis and religious academics is calling for an immediate stop to all religious legislation.

The group, called Hagut (contemplation), comprises religious figures across the political spectrum. Its main objective is to "renew understanding between the religious and the secular."

At a press conference in Jerusalem yesterday, Rabbi Yehuda Amital of the Har Etzion hesder yeshiva (combining military service with religious instruction), said that "the general public must be liberated from the constant fear of new initiatives for religious legislation." He said the group believed that such legislation was, in most cases, "wrong from a substantive and

national point of view, and very often counterproductive."

The group also called on the secular to "desist from attempts to undermine the status quo and to put a stop to the growing estrangement from the religious community."

The new group was established six months ago to combat the deterioration in relations between the religious and secular communities. Its 19 rabbis and academics include Hanan Porat, a founder of Gush Emunim; Prof. Michael Albeck, president of Bar-Ilan University; Rabbi Ya'acov Ariel, head of the Yamit hesder yeshiva and one of the leaders of the movement to stop the withdrawal from Sinai; and Dr. Michael Rosenack of Bar-Ilan University, who is considered a "dove."

The group announced that it planned to present its proposals to the

National Religious Party conference, which opens on Sunday. Dr. Daniel Tropper, chairman of the Geshet (Bridge) movement, said that he believed the NRP might adopt the group's proposals, "at least on an ideological level."

Amital added that the religious community was "yearning for a new message from the NRP."

Amital also said that the group had received encouragement from some leaders of the *haredi* (ultra-Orthodox) community, "although for obvious reasons they cannot come out with this in public."

He said that Hagut representatives who had met with Knesset members were "surprised" by the positive reaction of the "religious lobby" to this new initiative.

In a pamphlet distributed at the press conference, the group states

that the blame for the deterioration in relations between the various groups in Israel is shared by all. "No group may claim 'our hands did not spill this blood.'"

The group also claims that the public exposure of the political battles for religious legislation – "which are amplified by the media to a national and international level – constitute 'blasphemy on an unprecedented scale.'"

Rabbi Yoel Bin-Nun, of Ofra, said that the status quo, like so many other things in Israel, is based on arrangements reached some 40 years ago. He said that it might already be too late to initiate a constructive dialogue with the secular. He called on similar-minded secular groups to organize "so that we can start talking to each other right away."

During summer holidays

Teachers too tired to moonlight

By LEA LEVAVI
Jerusalem Post Reporter

"If you spent every day of the school year in a classroom, you wouldn't think of asking such a question," was one teacher's reply when asked if she worked during the summer to make extra money. "I'm just too tired by the end of June that all I want to do is relax."

Whenever there is a dispute over teachers' pay, the issue of teachers' long vacations is inevitably raised. Even if teachers' monthly pay is low, it is argued, look how many months they get paid without having to work. Teachers can use their long summer holiday, and other holidays during the school year – Succot, Hanukka and Pessah – to earn extra income.

It isn't easy to find out whether teachers "moonlight" during their

holidays. As one teacher put it, after insisting that he himself didn't do extra work: "If there are teachers who work, they don't tell the income tax people and they certainly won't tell you."

There are also questions of legality. The Education Ministry's legal adviser has ruled that teachers may not "moonlight." But the ministry has never taken action against teachers who hold outside jobs. Nonetheless, the existence of such a ruling gives teachers another reason to keep quiet about their outside jobs.

There are obviously teachers who give private lessons during the summer, and some who organize summer camps or do "official" jobs like marking matriculation exams.

An interesting point is that, while in the U.S., agencies that provide

temporary office help employ many teachers during the summer, similar agencies here employ none.

Last year, the Secondary School Teachers Association held a mass meeting at which teachers with degrees in engineering and other "useful" subjects talked about how much more they could earn in the private sector. Are these teachers making a killing during the summer? "Who would hire me for two months?" one of them asked with a bitter laugh.

Representatives of the teachers unions prefer to talk about those teachers who spend their summers as pupils, taking in-service training courses. Other teachers do what everyone else does with holidays – travel abroad, go to the beach, or just enjoy not having to be slaves to the clock.

Eighty Israelis annually need liver transplants

By YA'ACOV FRIEDLER
Jerusalem Post Reporter

HAIFA. – About eighty people a year need liver transplants in Israel. In the U.S. such a transplant costs \$150,000, but the cost in Israel would be less than \$20,000, Dr. Yigal Kam of Rambam Hospital told the Haifa Rotary Club yesterday.

Kam, who specialized in liver transplants in Pittsburgh, at the world's largest centre for organ transplants, said that the liver operation had become a conventional procedure during the past three years. It is estimated that the life expectancy of 85 per cent of such transplant patients is prolonged by at least five years and is rising as techniques improve.

The Health Ministry will soon decide whether – and in which hospital – to introduce such a transplant in Israel.

Israeli delegates at LA sister cities parley

By TOM TUGEND
Jerusalem Post Correspondent

LOS ANGELES. – Five Israeli delegates and a 28-member folk-dance troupe are here for the 30th annual Sister Cities Conference, which opened yesterday.

A total of 1,000 delegates from 25 countries and 200 U.S. communities are participating in four days of seminars, workshops, informal discussions and social events.

Mayor Eli de Castro of Acre heads the Israeli contingent, which includes Simcha Miller, head of the

western slopes, to only 40-50 this year. This was a low figure, in his opinion, and he called on the special committee dealing with the issue to now "let the gazelles live."

His observations had shown that the gazelles tended to stay within well-defined areas, not usually exceeding a radius of 200 metres, and there was little danger of their wandering further to look for food.

"The natural nourishment in the area is sufficient to support a much larger gazelle population than the present one," he held.

On the rocky slopes of Ha'on there were only 15 gazelles per sq. km., "fewer than the area can support," which amounts to only 100 animals on the slopes between Tel Katzir and Ein Gev.

"Such a low-density gazelle population will mar their characteristic social behaviour and make it

difficult for nature lovers to observe the animals," he stated.

Lotan insisted that the proper way of preventing gazelle damage to farming produce was fencing. Wherever fences had been erected and kept in good shape, damage was minimal. But the farmers had allowed fences to fall into disrepair, and in some places they had even been cut for harvesters.

If the fences were not repaired, the gazelles would again invade farmland "irrespective of their number." The poor fences were the root of the trouble, not the size of the herds, he insisted. Nor would the reduction of numbers substantially reduce the risk of the spread of animal diseases, his studies had shown.

Lotan advocated allowing the herds to survive in their present numbers.

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Supplies Division
Tender 11/86/HS for the Supply of Dental Equipment to the School of Dentistry

Bids are invited for the supply and installation of dental equipment at the school of dentistry. Approximately 100 treatment units are required. The tender documents and conditions applying are available at the Secretariat of the Supplies Division – cost NIS 150.

Bids must be submitted by 12 noon on August 17, 1986.
Bids must be delivered by hand, and placed in the tenders box at the Secretariat of the Supplies Division, Tel Aviv University, Ramat Aviv.

THE JEWISH AGENCY
ISRAEL EDUCATION FUND OF THE UNITED JEWISH APPEAL
TENDER No. 81/590/86

1. THE JEWISH AGENCY (hereinafter the Agency) invites tenders from building contractors for the construction of the

KATZ PREKINDERGARTEN-NURSERY IN BET SHEAN

2. The projected construction is approximately 500 sq.m.
3. Conditions of the tender as well as all other pertinent information can be obtained from Tuesday, July 22, 1986 from the Agency, 17 Kaplan Street, Tel Aviv, room 717 between 9:00 a.m. – 12 noon, against a non-refundable payment of NIS 200.–
4. A special tour of the construction site for contractors will be held on Tuesday, August 5, 1986 departing at 10 a.m. from the entrance to the Bet Shean Local Council building. Bids should be submitted not later than 1:00 p.m. on Wednesday, August 20, 1986 at the address mentioned in paragraph 3 above.
5. This tender is open only to contractors registered in accordance with the Act regarding Registration of Contractors for the execution of Engineering and Construction Works out the works as specified.
6. The Agency does not undertake to accept the lowest, or any other bid.

1520 من الاموال

THEORY OF SALARIES

THERE AND THEN / Sraya Shapiro

ONCE upon a time there was a nurses' strike. Not the one that just was - that was for hospital personnel only. I refer to a general strike of all nurses.

It happened when the State was young and kicking and the inflation rate was hardly in the two-digit range. The leader of the nurses' revolt for higher wages was a Mrs. Yoffen, a Mapaim of long standing, whom everybody called Mrs. Yapan. She bemoaned that her party condemned the strike; but she asserted she "had no alternative."

Today's hospital nurses fought on a different platform. They wanted more money, of course, but underlying this was the principle that more money indicates a higher status.

The "status" issue emerged in the early 1950s when the Histadrut changed its wage system from family-linked allowances to a less egalitarian pattern calculated in grades. Aharon Becker, when he was the Trade Union Department chief in the Histadrut, fought hard to introduce the new system, for, he says, "calculating a salary according to the number of dependants had outlived its utility."

Becker came into his job soon after the establishment of the State and he eventually replaced Pinhas Lavon as secretary-general of the Histadrut.

The Histadrut did its best to encourage large professional groupings. All practitioners of a trade, from bottom to top, were organized in a single union. Salaries were calculated in proportion to a member's responsibilities and training.

For the sake of socialist equality, the margin between the lowest and the highest salary was kept intentionally rather narrow. "We are not as the Russians," Histadrut leaders proudly stated.

Problems with this system, however, soon emerged, but not exactly with regard to salaries. "The technicians, who had been tucked together with engineers, became restless. They wanted autonomy. The snub they received from the engineers, who only had a year or two more of schooling, irritated them," Becker recalls. "The engineers did not know how to co-exist with the technicians,

and eventually the technicians seceded and formed an independent union."

The case of the teachers was similar, though not parallel. "The high school teachers wanted an autonomous section within the general Teachers Union. The majority leaders, who were concerned for the elementary teachers' susceptibilities, stood firm. Result: a professional union of the secondary school teachers came into being."

ON THE issue of salaries, Becker attempted to establish an objective scale. He introduced a wage system which was roughly based on the number of years a salaried man spent in training. Doctors were on the top followed by engineers who were not far below them, and then came nurses and other professionals. The system proved satisfactory for quite a while. However, when the demand for engineers increased due to the rapidly expanding economy, Becker's scale came under attack. The engineers even hired a lawyer to press their demand for equality with doctors' wages. Such action was unprecedented in the annals of the Histadrut, which expected its members to be Histadrut-loyal.

One Histadrut secretary-general - Becker refused to name him - once urged workers to expect higher salaries only for producing more. "He even claimed payment should be calculated contractually. This I would not accept," says What Becker wanted as opposed to sweat-shop style wages was a system of incentives linked to productivity. He urged the establishment of productivity boards where possible. Incidentally, the response of the workers was not always enthusiastic.

Becker's system, though it still more or less holds, is now under heavy pressure. Power groups, sometimes backed by political interests, claim the right to negotiate separately for better conditions in firms which they say can afford it.

This is nonsense, Becker claims. Salaries in small shops will inevitably be set to achieve the maximum level allowed by the national wage agreement. "Nobody would



Aharon Becker (lpps)

settle or less." A fixed wages system, it seems, is only possible in a society where people don't devote their energies to keeping up with the Jones. In other words, it's a dream. But Becker believes that if "the Histadrut only sets a clear group of realistic aims" then it can and must play a national role within our society. If it does not, it will become a body for work dispute arbitrations only, thus losing its position at the forefront of Israel's advancement.

A DUTCH B-G

LETTER FROM AMSTERDAM/Henriette Boas

WILLEM Drees, the former Dutch Labour Premier who quietly celebrated his hundredth birthday this month, was in many ways a Dutch version of David Ben-Gurion.

Both Drees and Ben-Gurion were socialists from an early age. Both played a leading role in the socialist parties of their countries for over three decades before they reached the highest office. As premiers, both assumed decisive roles in building their countries - Ben-Gurion essentially starting from scratch, Drees rehabilitating a Netherlands that had been devastated by five years of German occupation.

The two leaders also shared an extremely sober lifestyle. They both had long, happy marriages, and both had three children. Ben-Gurion was just a few months younger than Drees.

Drees was born into a small middle-class family in Amsterdam. His father died of tuberculosis when he was five, leaving his mother to raise him and his sister. An unusually bright student, Drees attended a secondary commercial school, worked as a bank employee, and also learned stenography along the way.

The stenography helped launch his political career. By recording the meetings of the Amsterdam Municipal council, the Second Chamber of Parliament, and various local councils, Drees gained an extensive knowledge of how these bodies worked.

In 1910, at age 24, Drees became

chairman of the Dutch Labour Party's Hague Federation. In 1913, he joined the Hague Municipal Council, and in 1933, he became a member of the Second Chamber of Parliament.

WHEN the Germans conquered his homeland, Drees was taken to Buchenwald as a hostage in October 1941, but was released one year later because of a stomach ailment. Back in The Hague, he helped lead the Dutch Resistance and later served as Vice-Premier and Minister of Social Affairs for the post-war government.

As Social Affairs minister, he introduced an old age pension for all citizens in Holland after 65 years old. Since then, the Dutch say that someone "draws from Drees," when they mean he lives on an old age pension.

Drees was Premier from 1948 to 1958. In 1967, a revolt of young people calling themselves the New Left, sought a much stronger polarization in Dutch political life and largely took control of Drees' party. Drees no longer felt at home in the Labour Party, and he resigned in 1971.

His main concern always lay in improving domestic conditions in the Netherlands, and he has been criticized for his handling of foreign affairs. Some say he underrated the forces that led to the independence of the Dutch East Indies (Indonesia). He also had little sympathy for



Dutch Premier William Drees (left) welcomes President Izhak Ben-Zvi and his wife, Rahel Yanait Ben-Zvi, to Holland in July 1958. (GPO)

the unification of Europe according to the Schuman Plan.

On the other hand, he had a great sympathy for Israel, where he met Ben-Gurion during a 1960 visit here. He wrote a small book on Israel later that year.

Drees is now in rather poor health, so weak that no one except immediate family members could visit him on his centennial birthday.

Even former Queen Juliana, whom Drees served under for ten years as Premier, was not allowed to visit on his birthday.

Though now living in complete isolation, Drees received bags full of congratulatory letters on his July 5th birthday, a sign that thousands of people still remember this frugal, simple testotaller and are grateful for what he has done.

Escaping from the city

NEGEV NOTEBOOK

Liora Moriel

CAREFUL to stay within the Green Line, and just as careful to stay well away from Beersheba, some of the city's people (too many) according to some are moving out to new Negev settlements, most of them privately established and funded.

"People want quality of life these days, a quiet place of their own just five minutes from a central town," explained Eldad Gissin, director of the southern region for both the Jewish Agency and the Agriculture Ministry. "That's what made the settlements five minutes from Kfar Sava attractive and that's what will make Metar and Lehavim successful."

Metar is the dream child of Yitzhak Levanon, a landscape architect who tired of the villa-village of Omer near Beersheba a few years ago and decided to build a new town for his own children as they grew up.

The idea was to find a beautiful, hilly spot in the vicinity, apportion land and sell it privately. Each family would chip in to pay for the community's infrastructure and services, as well as build and buy its own home, until Metar is officially recognized by the Interior Ministry and granted the funding to carry on.

All went well, until the national building slump two years ago. Many found that they could neither sell their apartments in town profitably nor buy materials and labour as cheaply as they had hoped. Credit was also more difficult to obtain after the bank shares disaster. This, in addition to the collapse of three local construction companies within one year, did not augur well for Metar. But the founders persisted and today 150 families already occupy their dream houses. Many more units are in various stages of construction.

It has taken longer than Levanon had hoped, and the project sometimes seemed to be permanently trapped in the eternal loop of the bureaucratic come-back-tomorrow-with-another-document red tape. However, the Interior Minister recently signed an order declaring that Metar is a bona fide settlement.

This means that there will be money to open the schools next year, to collect the garbage and to pay the bills. Government money. This also means that the ministry must appoint a local council. So far, there are some squabbles, but the southern district commissioner, Shalom Danino, said last week that the appointment of Levanon as chairman is almost assured.

Even before it got off the ground, Metar, which lies on the Beersheba-Jerusalem highway, spawned Leha-

vim, an imitation townlet on the Beersheba-Tel Aviv highway. Prime Minister Shimon Peres was present last week at the cornerstone ceremony for the public school. Some 50 families are already there, and 450 plan to join them by the end of the decade.

Both Metar and Lehavim have attracted families Beersheba would rather have kept-on to mostly young, educated and upwardly mobile. "The mean level of Beersheba's population is on the decline," complained a senior city official who (as is increasingly the case) himself lives outside town.

"In the short run, Beersheba is paying the price for not coming up early enough with its own build-your-own-home scheme to rival these settlements," said Gissin. In the long run, he opined, the city will benefit from these satellite towns, because they will rely on it for services and entertainment.

RECENTLY, Beersheba began selling off plots of land of its own to private residents for only NIS 15,000 a dunnam. To ensure that people do not buy the land for speculation, the buyer must stay on the land for at least five years before selling.

Nestled in the Yatir forest is another small private community, Livna, with 30 families, most of them from Beersheba, where they still work, shop and dine out. These days, it seems, Beersheba attracts mostly those who create negative-growth statistics for the region's development towns, settling there temporarily before moving on to Tel Aviv.

In fact, it is the immigrants who are happiest in the Negev capital: those who came from thirty countries over a period of forty years to make it one of the most exciting places in Israel, people-wise, despite the perpetual lack of "real" city life.

"I don't have any family in Israel," an Argentinian immigrant who came to the city 23 years ago told me this week. "I was taken straight to Beersheba and you know what? I've never missed Buenos Aires and I love Beersheba, with all its drawbacks."

Actually, she lives in Omer. In fact, all these who live within commuting distance the city feel that their urban base is Beersheba. Whoever the new mayor will be, he must come to terms with the realization that the city is, for better or for worse, the centre of the Negev and must up-grade both its services (educational, cultural and social) and its image accordingly. Now, after all, is as good a time as any.

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French National Front suffers internal dissent

PARIS (Reuters). — The champagne euphoria of election night has faded rapidly for France's extreme-right National Front Party.

Four months after making a spectacular parliamentary debut with a vow to "keep France French," the Front is seen by many political commentators as struggling to stay alive as a unified political force.

Led by burly former paratrooper Jean-Marie Le Pen, the controversial party won 35 National Assembly seats in the March general election which ousted the Socialists from government and gave power to France's traditional right.

This election put the 14-year-old Front neck-and-neck with France's oldest political movement, the Communist Party, and rescued the extreme right from 30 years on the shadowy fringes of French politics.

Since post-election claims of a political revolution, the party's hopes of giving its hard-line nationalist views a more widely acceptable face appear to be in danger of foundering in a series of acrimonious internal disputes.

Two candidates elected on Le Pen's tough anti-immigrant, law-and-order platform have already quit the party, bringing it dangerously close to the limit of 30 deputies needed to form a separate parliamentary group.

Le Pen, trying to put a brave face on the defections, says his party is better off without traitors and that there was no danger of the party breaking up.

For other observers, however, the Front is showing the same critical flaws that destroyed the extreme right's last foray into parliamentary politics when the Poujadists, a coalition of shopkeepers and artisans opposed to industrialization, won National Assembly seats in 1956.

Within two years, however, half of its members had drifted away to join mainstream conservative parties and elections in 1958 left the extreme right without a single seat.

The National Front draws on a similarly ill-defined range of discontent and its supporters include recent converts as well as veterans of extremist causes such as the OAS guerrilla movement opposed to Algerian independence.

These divisions have been widened by new legislation scrapping the proportional voting system that gave the front its voice in parliament.

The reintroduction of majority voting could cripple the party's chances in the next election, encouraging its members to look to other parties if they want to retain their seats.

Increasing the temptation to defect is the traditional right's adoption

of some of the Front's less extreme views on cutting crime and reducing immigration.

Le Pen freely acknowledges the threat, saying "majority voting is aimed at destroying us."

Meanwhile he is fighting hard to hold the party together with a firm crackdown on dissent. As a warning to any wavering deputies in his ranks, the Front has levelled vituperative attacks on Bruno Chauviere, who defected in May, accusing Le Pen of being more interested in sabotaging Prime Minister Jacques Chirac's government than serious policy.

Chauviere, in retaliation, has begun legal action against Le Pen, alleging he has been victimized by physical threats and a smear campaign.

Another Front member, Yvon Briant, was forced to leave the party after refusing to accept the party's uncompromising hostility to the government coalition of Chirac's RPR and the centre-right UDF parties. Briant was also condemned for expressing sadness at the death last month of the left-wing French comedian Coluche, who died in a motorcycle accident.

Since leaving the party, he has rejoined the National Centre of Independents (CNI), another hardline right-wing group. Observers say that



Jean-Marie Le Pen, leader of the National Front.

(Reuters)

the CNI could erode Le Pen's position as the only right-wing alternative to the governing coalition.

The RPR and UDF have only a wafer-thin majority in the 577-seat assembly, but the Front's hopes of acting as an arbiter in a finely balanced

parliament have so far come to nothing.

Le Pen and his followers have repeatedly failed in attempts to amend draft legislation, finding themselves noisily heckled by

Crack stalks the streets

WASHINGTON (AFP). — U.S. doctors, warning that cocaine can kill at the first fix, are worried as a new form of the champagne drug, known as "Crack," stalks the nation's streets.

The doctors raised the alarm after registering a 33 per cent increase since 1980 in the number of deaths from heart attacks due to cocaine. And worse is to come this year, they predict.

"Cocaine can be, and not infrequently is, a killer," said Donald McDonald, a drug expert at the National Institute of Health. "Despite the scientific evidence, few have been aware that the drug can kill on the first dose."

With an estimated five million cocaine addicts on their hands, public health officials are increasingly concerned that Crack, a powerful new and cheaper version of the drug, had produced an addiction boom.

Mitchell Rosenthal, who heads a detoxification programme, said four in five of the drug addicts he sees are cocaine users, and two in three are hooked on Crack — a mixture of cocaine, baking soda and water, boiled into crystals and then smoked.

It is cheaper to buy than regular cocaine and gives an instant "high" which is immediately followed by a depression and craving for more.

"Most of the people that we see use it with a great sense of no consequence. They have a sense of immortality and a kind of grandiosity," he explained.

The results of a dose of cocaine, doctors say, are often immediate and fatal. The respiratory system fails, the nervous system is overstimulated, heart functions become irregular and lead to heart attacks, and increased arterial pressure often brings on a brain haemorrhage.

The recent dramatic death of two top-flight national athletes, who collapsed after dosing on cocaine, has shocked a public becoming used to the idea that a little "coke" is not dangerous from time to time.

But official figures show that the number of Americans dying from cocaine has increased from 195 in 1980 to 600 last year. Yet many cases go unreported, and some experts fear that the drug is becoming the "closed-door" pastime of business executives.

In 26 U.S. metropolitan areas there were 9,946 hospital emergencies involving cocaine addicts in 1985 compared to 3,296 five years earlier. Experts fear the number could reach 13,000 this year.

In the words of Mitchell Rosenthal: "The message has to be: Don't do it once."

Refugee flood hits Berlin

BERLIN (AP). — Ali, a 21-year-old Iranian, lives with three other men in a metal container, with floor space the size of a sandbox, on the outskirts of West Berlin. But he is not complaining.

A former soldier in Ayatollah Khomeini's army, Ali is part of a flood of people escaping from repressive regimes and seeking political asylum in West Germany.

In recent weeks, thousands of foreigners have been pouring into the country. While they wait for

word on their future, they live in hotels, guesthouses or are temporarily housed in a 55-bed "container camp" — a series of small metal buildings without amenities like running water — where Ali is staying.

In addition to Iran, many of the asylum-seekers come from Pakistan, India, Lebanon, Romania and Poland. The majority enter West Berlin by way of communist East Berlin.

West German Chief of Staff, Wolfgang Schaeuble has asked the East German government to stop

the flow. "This has become a completely unacceptable situation."

Many of the asylum-seekers fly to East Berlin's Schoenefeld airport. East German police, who stop East Germans from leaving the country, allow most of the foreigners to cross the border to West Berlin. Due to Berlin's complicated legislature, foreigners can enter the city without the visas required for the rest of West Germany. Then they can apply for political asylum under the lenient West German laws.

Last month, 5,531 asylum-seekers came through East Germany, the highest-ever monthly number. Last year, 74,000 people applied for asylum in West Germany, more than double the number in 1984.

If present trends continue, it is estimated that more than 100,000 people will have sought asylum by the end of the year, with about one-third of them going to West Berlin.

The dramatic increase has resulted in calls for tightening up the country's laws on political asylum.

Nationwide figures were not available from the West German Interior Ministry on how many of the appli-

cants eventually receive asylum.

But Eva-Maria Wheling, a spokesman from the German Red Cross in West Berlin, said most of those who can prove they come from politically repressive governments get asylum, although the process may take years.

While awaiting a decision, they are given food, housing, and even pocket money — 2.30 marks a day (about \$1) — by the West German government. But they are not given work permits.

All of the city's 7,100 beds for asylum-seekers are full, and many of the buildings are extremely crowded, Wheling said. One Red Cross home that was built for 200 now holds 1,000.

U.S. Civil War buffs re-enact a famous battle

MANASSAS, Virginia (Reuters). — For four days in hilly fields near this town, thousands of men will wear broadsword uniforms in summer heat, smoke smelly cheroots by camp fires, pitch canvas tents, eat dried beef and make war.

Some 5,000 weekend warriors plan to re-enact the first major battle of the United States Civil War not far from where it took place, 48 kilometres west of Washington, 125 years ago.

The American Civil War Commemorative Committee of Culpeper, Virginia, the sponsor, bills this as the biggest battle reenactment ever held in the U.S.

While the real North-South clash was fought in one day, on July 21, 1861, the replay will stretch out over four, including preliminary encampment, from today through Sunday.

Those arranging the return of the first Battle of Manassas, as Southerners call it — the Battle of Bull Run to Northerners — expect over 50,000 Civil War buffs to watch the fighting roll across a 500-acre tract.

Some 1,500 artillery shells and a half-million rounds of small-arms ammunition will be fired in the mock battle. A special effects company is arranging to set off explosions across the landscape, Hollywood war-film fashion, in counterpoint to thunderous fire from cannons, some of which were used in the original battle.

THE ORIGINAL battle site is slightly to the north of the reenactment scene and is now a well-manicured memorial run by the National Park Service. The field earmarked for the replay will be more like the rough original, organizers say.

The outcome of the replay will reflect history.

The Southern Confederate forces will block the Northern Union army drive to seize the rebel capital at Richmond, Virginia, with the superior tactics and shooting that sent "Yankee" forces fleeing in panic back to Washington to regroup.

The real battle's significance was that it shocked Union leaders into realizing that the fight to subdue the southern states, which advocated slavery and were attempting to cede

from the United States, would be no picnic.

Some supremely confident Union politicians came to witness the clash, arriving in horse-drawn carriages with their wives and friends for what they expected to be a rout of the rebels.

In fact, it took five bloody years and 365,000 lives to finish the war, the most tragic episode in U.S. history.

For those who cannot forget or want to remember, reliving the Civil War is a curious and often expensive hobby which has attracted followers from as far away as Australia and Europe.

Jack Thompson, a director of the sponsoring committee, says dozens of mock Civil War military units have been created since interest was fanned in the 1960s when reenactments took place on a smaller scale to commemorate the war's centenary.

He said these groups, mostly in the south but with delegations from areas as far off as Scotland, Ireland and Germany, strive to duplicate the uniforms, weapons and lifestyles of the 1860s.

In Civil War days, the soldiers' dress varied widely from unit to unit, from traditional Yankee blue and Confederate grey to the flamboyant Zouave dress of various volunteer regiments patterned after the garb of Algerian tribes.

Most authentic Civil War uniforms are too worn, too delicate or too small to fit modern men, but some of the distinctive originals have been lovingly preserved and now serve as models for exact replicas.

Cheating will be barred. That means a ban on using any sort of clothing, equipment, food or drink which did not exist during the real Civil War.

Organizer Nancy Niero says the idea for the authentic encampment grew out of a conversation among Civil War buffs a few months ago.

"Many of these people were interested in what their ancestors did, loved the romance of the past and find this a welcome change to go back in time from the modern world, get out of their condominium apartments and live for a while like their forefathers," she said.

No easy path to paradise

By IAN JACK

LONDON. — At the drop of a hat, young Sikhs here will be delighted to sell you printed maps of an imaginary country. It is their country, Khalistan, the land of the pure, and like all the best imaginary countries it has a schoolboy's mixture of exciting geography: a seacoast, a port, and desert, one of the most fertile plains in the world, a holy city, mountains perpetually capped by snow. It stretches from the Arabian Sea to the Himalayas, a long strip carved from the left of India.

In Khalistan, its supporters say, all men will be as brothers. Nobody will be rich, nobody poor. God and the sun will shine on rippling fields of wheat. "A sort of paradise on earth" is how the map's legend puts it, quite without irony, "free from the domination of Hindu imperialism."

But the road to paradise is paved with cruel intentions. The utopianism which seems so harmless in London takes on an ugly practicality in India, where Sikh terrorists are trying to drive the Hindu population from villages in the Punjab.

The Khalistan of the map may be an impossibility — the seacoasts, the desert and the mountains contain few Sikhs — but growing numbers of young Sikhs have begun to see some form of independent state in the fertile plains of Punjab, the birthplace and heartland of Sikhism, as a realisable ambition.

Hindu refugees are the consequence. Between 2,000 and 5,000 have left western districts in the Punjab recently for temporary shelter in Haryana, the neighbouring state, or Delhi, the capital. They tell of murders, insults to Hindu womanhood

and frightening jingles, for example: *First cut the heads off the Hindus, Then cut the heads from the wheat, Let's finish them off before we begin our harvest.*

THESE refugees are not poor. The outposts of a Hindu temple in Delhi hold the families of a tailor, a shopkeeper, a grain merchant, a supplier of chicken-feed and a teacher. They have left homes with refrigerators and televisions. Few think they will return. They say their village, Fatehbad, near Amritsar, once contained 2,000 Hindus. Now only the old and poor remain.

"Things can never be the same between us," said Brij Mohan, a 45-year-old schoolteacher. "My maternal grandfather was a Sikh, five maternal uncles are Sikhs, many of my friends are Sikhs. But they no longer control our village. Almost every Sikh between the age of 18 and 25 wants Khalistan."

During the first week in May, said Mohan, eight or nine Hindus in his village were murdered. Then posters began to appear which told Hindus they had 60 days to pack up and go. "My Sikh friends told me to get out while I could. They said the terrorists wanted to teach us a lesson and they could not protect us." Other posters appeared advising Sikhs to buy guns rather than property, because Hindu property would soon be theirs. Hit-lists were posted across walls and doors.

On May 10, Mohan, his wife and four daughters climbed onto a truck and left the village after midnight. Hundreds of other Hindus have taken the same route in the past month, and though this is a mere trickle by Indian standards, it could easily swell to a flood.

Opposition parties have demanded that the army be sent in to reimpose its control in the three districts bordering on Pakistan where most of the killings occur, but the army is thought to be reluctant to take on what might become permanent policing of a community which until recently supplied about 10 per cent of its recruits.

Nor is there much faith in a military solution. Mrs. Gandhi's recourse to the army for two years led in the end only to thousands of deaths, including her own.

Rajiv Gandhi continues to pin his hopes on the Punjab Accord he signed last year with Sikh Akali party moderates. The accord has run into considerable difficulties, mainly with obdurate Hindu politicians in Haryana, but last week Gandhi removed Bhajan Lal, the state's chief minister and one of the chief obstacles to progress.

LATER this month, six months behind schedule, Punjab will acquire sole ownership of the capital, Chandigarh, though Haryana will share the city as a bureaucratic headquarters for the next five years. In exchange, Haryana will get certain rural areas of Punjab, to be specified later this week by the second of two boundary commissions.

Few Sikhs, however, think the belated implementation of an intricate accord will do much to exorcise the bitterness which threatens to permanently alienate many of India's 13 million Sikhs. Last month, to mark the second anniversary of the Indian Army's invasion of the Golden Temple, militant Sikhs in Amritsar staged a series of protests called *Ghallaughara* or "Genocide Week."

Many Sikhs would not subscribe



Sikh police guard the Golden Temple in Amritsar during last month's 'Genocide Week'.

(Reuters telephoto)

to the hyperbole. On the other hand, an influential section of Sikh opinion believes that the government has conspicuously failed to win the confidence of their community by ignoring demands for action over three key issues.

About 350 people who were arrested in the Golden Temple two years ago are still detained without trial in the Rajasthan city of Jodhpur; the Indian Army refuses to relent on the punishments given to Sikh troops who mutilated or deserted when the temple, their holiest shrine, was invaded; the Indian police have so far failed to charge anyone for their part in the Delhi massacres which followed Mrs. Gandhi's death, when by official estimates 2,150 Sikhs died.

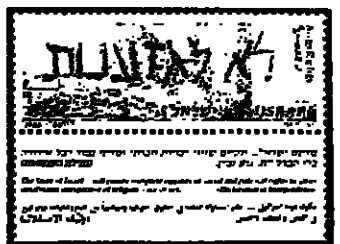
A commission of inquiry into the massacres is due to deliver its report

soon though the result of its investigations may not be made public. As a result, Sikh moderates fear that the trust between Hindus and Sikhs may never be restored.

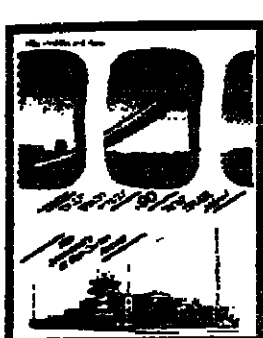
Some Congress politicians are reported to have played a leading role in organizing the riots, and last month the government passed an ordinance — an executive fiat — which enables the findings of public inquiries to be suppressed if they contradict the "public interest." The judicial inquiry into the circumstances surrounding Mrs. Gandhi's assassination has already been kept private.

(London Observer Service)

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□ Sunday, Aug. 3, 9.00 p.m.
Bach - Brandenburg Concerto No. 3
Pärtos - "Legend" for Viola, Piano and Percussion
Beethoven - Quintet in D major, Op. 16, No. 3
Mozart - Quintet in A major for Clarinet and Strings, K. 581.

□ Monday, Aug. 4, 8.00 p.m.
Brahms - Quintet No. 6 in F major for Flute, Clarinet, Horn and Bassoon.
Bertok - Sonata for Two Pianos and Percussion
Schubert - Quintet in C major for Strings, D. 958

□ Tuesday, Aug. 5, 9.00 p.m.
Brahms program
Variations on a theme by Haydn for 2 Pianos, Op. 565.

□ Wednesday, Aug. 6, 8.00 p.m.
Boccherini - "Fandango" Quintet in D major for Guitar and Strings
Beethoven - Serenade in D major for Flute, Violin and Viola, Op. 25
Shostakovich - Seven Poems for Soprano, Violin, Cello and piano, Op. 127.
Tost Alexander Blok
Glinka - Trio Pathétique in D minor for Clarinet, Bassoon and Piano

□ Thursday, Aug. 7, 9.00 p.m.
Haydn - "London" Trio in G major for Flute, Violin and Cello
Dowland - Five Galliards for Tenor and Guitar
Britten - Six Songs from the Chinese for Tenor and Guitar, Op. 59
Purcell - A Sonata in D major for Trumpet, Strings and Continuo
Maxwell Davies - Eight Songs for a Mad King, for single-actor and six instruments

□ Friday, Aug. 8, 5.00 p.m.
Paganini - Tarzetto in D major for Violin, Cello and Guitar
Bert - Ent'acte for Flute and Guitar
Sakari Saksela - Septet in E flat major for Trumpet, Piano, String Quartet and Double Bass, Op. 65

□ Saturday, Aug. 9, 9.00 p.m.
Gilboa - Wild Asphodel - A Small Gallies Anthology for Contralto, Violin, Viola, Cello, Flute and Percussion
Mozart - Quintet in E flat major for Piano and Strings, K. 493
Bach - Z. Steinberg - String Quartet Fugue from "The Art of the Fugue"
Gould - "So you want to write a tune" for four voices and string quartet
Beethoven - Septet in E flat major for Strings and Wind instruments, Op. 20

* Programme subject to change.

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Rescue package nearly ready Elscent sales strong but profits elusive

By PINHAS LANDAU
Post Finance Reporter

Elscent Ltd., the troubled manufacturer of medical-imaging equipment, is still posting strong sales of over \$10 million a month, even though the rescue package designed for the company has yet to be completed, managing director Benny Peled told *The Jerusalem Post* in an interview this week.

Peled said the debt-restructuring package announced in March should be unveiled in the next several days, barring unexpected delays. The plan involves Elscint's creditors wiping out \$80m. in debt in return for share options.

In the meantime, Peled attributed the relatively brisk pace of sales to the quality of Elscint's products and customers' underlying faith in the company, which overcame their doubts about the company's ability to survive.

Peled, who joined Elscint April 1, said sales in January-March, the final quarter of the company's 1985/86 business year, amounted to \$30m. He stressed, however, that this was a rough estimate; even unaudited figures have not yet been completed.

First quarter results for the current business year, which began April 1, would show sales rising slightly but continued losses, Peled indicated. He said he aimed to "stop the hemorrhage" of losses by the end

of the 1986/87 year and end the year even.

The company last published unaudited figures in August 1985 for the quarter ended the previous June 30. They showed a \$15m. loss, after losses of \$33m. for the 1984/85 year. Since then no further results have been published, although industry observers agree with the estimate of total 1985/86 losses nearing \$100m. that was published in *The Jerusalem Post* last month.

Peled and his aides would only say that the losses were getting smaller over time, and that they believed the company was turning around.

Peled left his post as deputy chairman and chief executive officer of the highly successful concern Elbit Computers Ltd. to take the top spot at Elscint at the behest of Elscint's chairman, Uzi Galil. Peled's mission has been to try and save Elscint from the administrative chaos and near-bankruptcy left behind by its former chairman Avraham Suhani when he resigned last year. Both Elbit and Elscint are part of the Elron Group of companies that Galil founded.

Since joining the company, Peled has concerned himself with reorganizing the multi-national company, whose main market is the U.S. Elscint has pared over one-third of its 3,000-man work-force of a year ago, although this has hurt company morale. Peled said he had sought to



Benny Peled (R. Nowitz)

separate head office staff from active field units, while dividing the latter into three divisions: computerized tomography (CT), magnetic resonance imaging (MRI) and X-ray units. In addition, the support functions of sales and after-sales service have been revamped on a geographical basis. Peled said the reorganization was being accomplished with virtually no new hiring. Only two new executives for strategic planning functions have been taken on from the outside, he said.

Peled noted sadly that financial and operating controls have had to be put together from scratch. It was loose financial monitoring that got Elscint into trouble in the first place, according to many analysts, and Suhani was able to cover up the scale of the firm's losses because of the weakness in the management structure.

Whether the company can break even or come close to it will depend largely on how soon the emergency restructuring plan that was put together several months ago can be implemented. In this matter, Peled and Galil are prisoners of their accountants and lawyers - and of their bankers, who are wiping out \$80m. of debt and taking share options in return.

This process is now being completed, according to Elscint executives. However, after months of delays and false alarms, that message is no longer taken at face value by analysts or customers.

The Knesset Finance Committee recently agreed, again after months of pressure, to guarantee "performance bonds" given by Elscint to its customers.

These bonds guarantee the holder that if the issuer fails within five years of the sale, the full purchase price will be refunded. Without this guarantee, the buyers would simply have gone elsewhere, since the uncertainty over the company's future would have outweighed their belief that the equipment Elscint offers is superior to the competition.

Customers are still prepared to buy, but their willingness is contingent on the rapid conclusions of the debt and capital-restructuring negotiations.

THE TAX BURDEN

A blow to shareholders in private firms

By JEFF BROIDE

There was a time when a shareholder in a private company, one that has no more than five shareholders, could draw low-valued loans for tax purposes from his company without attracting taxes, or at worst, low taxes. An April 1985 amendment put paid to this loan device. Now a February 1986 amendment stipulates that any payment by a private company to one of its "controlling shareholders" is liable to the regular withholding taxes applicable to salaries. Such payments, whether made in cash or in kind, are therefore liable to withholding tax at the marginal rate deducted from the recipient.

What is a "controlling shareholder"? The law defines him as one who holds, directly or indirectly, alone or together with a relative, at least 10 per cent of the issued share capital of the company, its voting rights, the right to receive at least 10 per cent of the profits or to appoint a director.

The consequences of this amendment are far-reaching and will render many arm-length transactions taxable at source to the extent of making economic nonsense of them. For example, the sale of a motor vehicle or other asset to the company - not on formation - will be liable to payroll taxes on payment. So will the supply of services by a partnership or self-employed taxpayer to a private company in which he or she owns 10 per cent or more of the shares.

However, the partnership or self-employed taxpayer may make payments to the company, because the amendment covers only payments by a private company and not by other entities.

People who run both a private company and self-employed enterprise, with a certain payoff between the two, would do well to review their situation in the light of this amendment.

The writer is a Certified Public Accountant (Israel). Questions may be addressed to Jeff Broide c/o The Jerusalem Post.

OIL DEAL. - Iran will sell Syria 18.75 million barrels of crude oil over a six-month period starting in October, Iran's official Islamic Republic new agency reported. The agency, monitored in Nicosia, did not mention the price of the oil.

Histadrut offers pensioners less than meets the eye

By MACABEE DEAN
Jerusalem Post Reporter

Lavish praise is heaped on the social justice basis of the seven Histadrut pension funds, even by one of their harshest critics, Dan Sprinkak, co-editor of *Tazpit*, a publication that closely follows the pension industry. The funds have close to a half-million members and are paying pensions to 100,000. Sprinkak, nevertheless contends that the social justice of the Histadrut funds is often interpreted in a purely arbitrary manner.

"For example, we have a case of a printer whose pension was fixed at NIS 350 a month. After we dug a bit into his case, we are demanding that the sum be raised by NIS 250 to NIS 600 a month, and perhaps to NIS 700 a month. We admit that this last NIS 100 is open to discussion, but certainly not the additional NIS 250 we will obtain for him, if precedents are any criteria."

How does Sprinkak, who in his capacity as a consultant, as well as editor of *Tazpit*, spends time catching such errors, explain the why and how of such errors?

The fundamental mistake lies with the worker himself. "Few Israelis can make head or tail out of the various deductions and supplements on their monthly pay slip. Try this simple test: ask any worker how much he will receive on his next paycheck. Invariably, you will get a blank expression. And if after deduction of receiving monthly pay slips he doesn't have the slightest idea about the sum, he has much less of an idea about his pension."

One solution would be to inform workers at least once a year how much their pensions should be if they retired immediately and how much they would get at the age of 60 for women and 65 for men. Thus, the surprise would not only be minimized, but the worker would have years to correct matters.

"The best run Histadrut pension fund is undoubtedly Makefet," says Sprinkak. "The reason is that unlike the other six funds, whose management is wholly appointed by the Histadrut, in Makefet half the management is appointed by the Histadrut, the other half by the companies and factories contributing to Makefet. Thus, the non-Histadrut management members keep an eye on the others."

But a recent letter circulated to

the press by the Association of Makefet Pensioners takes issue with Sprinkak's contention. It points out that despite a Histadrut decision in June 1984 to compensate pensioners for the erosion of their pensions, the decision has not been implemented.

The primary reason that pensioners do not get as much money as possible from the Histadrut funds goes back to a decision in 1979/80 to change the system. During the transition period, which is still going on, each fund was allowed to use the system it chose to determine pensions. Most have used this freedom to try and save money by keeping pensions low.

The system now gradually being done away with fixed pension according to the worker's monthly pay cheque during his last three years of work. This formula was abused by many companies, which would boost workers' salaries in their last three years, entitling them to a bigger pension. In return, the workers would kick back the increase to their employers.

The system now being introduced is called the "relative average." It is based on the national average wage, now NIS 985 a month, and on the pensioner's 25 best years of pay. Under the system, if a pensioner had worked 35 years, he would receive 70 per cent of his basic wage.

The relative average system generally provides the worker with a higher pension if the trick of artificially raising his pay during the last three years is not used. This is because the best 25 years of pay in most cases are not the last three years, but the middle years. The worker starts at a low pay, rises rapidly and then it begins to level off. "Even the best electronic engineer after several decades of work is not up-to-date and his experience cannot match the knowledge of an engineer fresh out of the university," says Sprinkak.

Basing a pension on this system gives the following results: Taking the average of the best 25 years gives, for example, a figure equal to 100 per cent of the national average wage. Assuming the pensioner had worked 35 years, his pension is based on 70 per cent of his basic wage. Since, in most cases, the basic wage excludes car, telephone and other allowances, which can easily account for 40 per cent of the total wage, the basic wage itself shrinks to 60 per cent of the total wage.

Thus, the pensioner ends up with a pension equal to 42 per cent of the national average wage, or NIS 413.70.

Once the 42 per cent pension is established as a relationship to the national average wage, it is no longer linked to the national average wage but to the cost-of-living index. Thus the pension "rows smaller in relation to the national average wage by about 3 or 4 per cent a year, about the amount the national average wage rises every year.

The solution for the difference between the total and basic wages, says Dov Peleg, chairman of the Histadrut's Social Security Department, "is for the workers to bring pressure on their bosses to include their total salary - basic wage and allowances - in their pension schemes, so that the total wage and the basic wage are identical."

Another solution, offered by Sprinkak, is for workers to take out a supplementary pension fund early in life and maintain it until the day that total wages are included in the pension. A provision can also be made to set aside a monthly sum to offset the three to four per cent increase in the national average wages.

There are various ways to do both things, but the most acceptable ones at present are taking out a life insurance policy tailored to this purpose, or to open a provident fund with a bank.

In both cases, Sprinkak advises taking independent advice. "There are plenty of so-called independent advisers around, especially in the insurance field," he says. "You can easily eliminate all of these. You will generally find a list in your Golden Pages directory. But before you select one, turn to the list entitled 'insurance agents.' You will find the identical list of names. Thus, these persons will advise you to take out that scheme on which they make the largest commission." He admits there are half a dozen university professors around who also offer independent advice.

"They advise both the small man, and the insurance companies and the provident funds," says Sprinkak. "The wage earner will pay them a small fee compared to the insurance companies and provident funds. You can guess how independent most of their advice is."

(Last of a series)

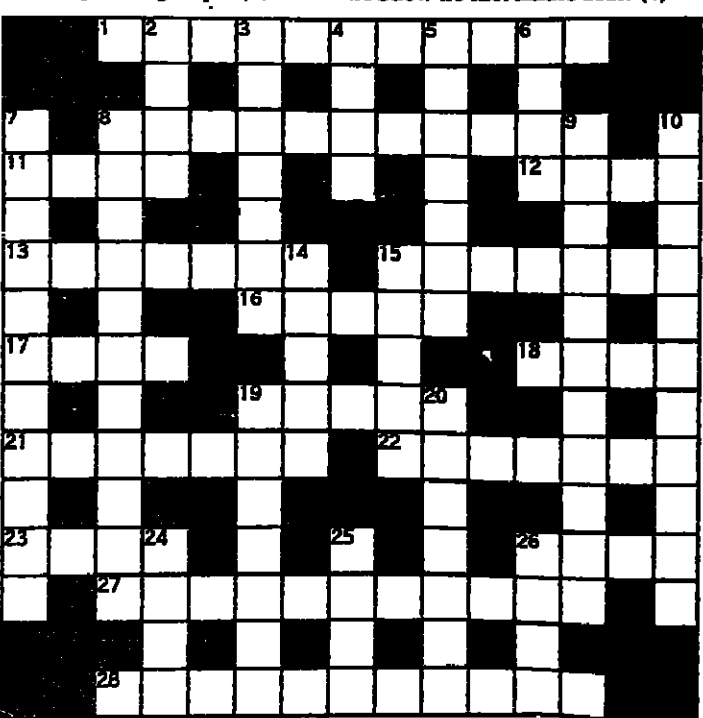


Elscent technicians complete their test of a CAT scanner before shipment. (R. Nowitz)



ONE-ON-ONE CROSSWORD

- ACROSS**
- Despair about the future when an orchestra takes on an American comedian? (7,4)
 - One of two fish (6,5)
 - He is brought to account and it's painful (4)
 - Not a big group to take round Rhode Island (4)
 - The first lady King Edward turned out? (7)
 - Sham feeding arrangement (7)
 - Israeli port I spin a yarn about (5)
 - It's all cut and dried before it goes up in smoke (4)
 - Turn up at top speed? (4)
 - Beautiful Italian girl put in front of a warning device (5)
 - Fishy-looking cornflowers (7)
 - The state of the Franco-Spanish border (7)
 - Press in or out (4)
 - Advanced one reason for abstinence? (4)
 - A venturesome savings group (6,5)
 - Things said to impress political splinter groups? (5,6)
- DOWN**
- In Scotland it's a natural inclination (4)
 - A man who's proposed ... (7)
 - ... to turn round on a camel? (4)
 - A female nomination I get rather worried about (7)
 - Look of sullen displeasure the angler may catch (4)
 - Eat out for a change when conditions are favourable (4,6)
 - Device that may be relied on to keep the bedclothes from moving? (5,6)
 - Affected with strong emotion, as the Tolpuddle Martyrs were (11)
 - Not of consistently high quality, though worthy of praise as an actor (4,2,5)
 - He drives away with her and takes the plunge! (5)
 - Make a sudden descent on a Spanish composer (5)
 - A panda that's out of place in cabaret (4,5)
 - An abnormally quiet old relic (4)
 - The currency they have in Leningrad (4)
 - Take a furtive look at what day-old chicks do (4)
 - Show no inordinate zeal? (4)



GENERAL ASSISTANCE

EMERGENCY PHARMACIES

Jerusalem: Kupat Holim Clalit, Romema, 522191; Baisam, Salih Eddin, 272315; Shu'afat, Shu'afat Road, 910108; Dar Al-Dawa, Herod's Gate, 282058.
Tel Aviv: Lev Ha'ir, 69 Ahad Ha'am, 613862; Rimona (Sher), 16 Ziman, Nahlat Yitzhak, 257678.
Netanya: Hadassah, 24 Sderot Herzl, 22243.
Haifa: Hanassi, 33 Sderot Hanassi, 33312.

DUTY HOSPITALS

Jerusalem: Hadassah Ein Karem (pediatrics, ophthalmology), Bikur Holim (Internal, E.N.T.), Shaare Zedek (obstetrics, surgery, orthopedics).
Tel Aviv: Rikah (pediatrics), Ichilov (Internal, surgery).
Netanya: Laniado

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FIRE 102

In emergencies dial 102. Otherwise, number of your local station is in the front of the phone directory.

FIRST AID 101

In emergencies dial 101 in most parts of the country. In addition:

Ashdod 41333
Ashkelon 23333
Bat Yam 521111
Beersheba 74767
Carmiel 988555
Dan Region 781111
Elon 7255
Hadera 22333
Haifa 512233
Holon 36333
Holon 80333
Jerusalem 523133
Kiryat Shmona 44334
Nahariya 923333
Netanya 23333
Petah Tikva 9231111
Rishon LeZion 942333
Safed 30333
Tel Aviv 240111
Tiberias 90111

* Mobile Intensive Care Unit (MICU) service in the area, around the clock.

* "Ezer" - Emotional First Aid, Tel: Jerusalem 227171, Tel Aviv 2611112, Haifa 672222, Beersheba 418111, Netanya 35316.

Rappe Crisis Centre (24 hours), for help call Tel Aviv, 234819, Jerusalem - 245554, and Haifa 88791.
Jerusalem Institute for Drug Problems, Tel. 663828, 663902, 14 Bethlehem Rd.
The National Poison Control Centre at Rambam Hospital, phone 04052925, for emergency calls, 24 hours a day, for information in case of poisoning.

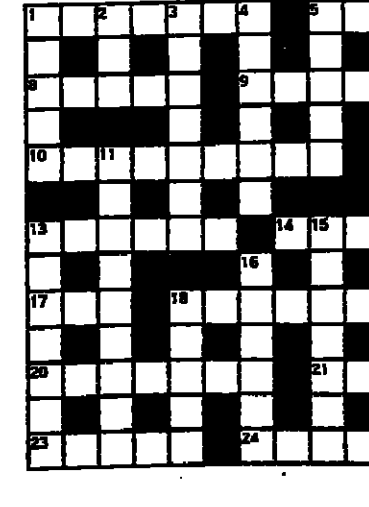
POLICE 100

Dial 100 in most parts of the country. In Tiberias dial 924444, Kiryat Shmona 4444.

QUICK CROSSWORD

ACROSS

- Indication of disease
- 8 Left
- 8 Right
- 9 Transatlantic waterfall



YESTERDAY'S SOLUTION

RESORT TO ARMS
S E T I R I A R M S
I R A N I A N A T T E N D S
X U L D C R A T
T R I S T E E X A C T O R
H S E R C E A
F A T E D I M P A T I E N T
O N R
R E C T A N G L E A S H E S
V R D O F E P
E Y E B A L L R O G U I S H
R E M Y D R E
S O P R A N O A M A T E U R
E A N I N S E
P R O T A G O N I S T S

QUICK SOLUTION
ACROSS: 1 Penny, 4 Tense, 10 Thistle, 11 Teach, 12 Tutor, 13 Carrier, 15 Abet, 17 Slale, 19 Ocean, 22 Name, 25 Beneath, 27 Recur, 29 Opine, 30 Adman, 31 Unite, 32 Sane, 33 Wym, 34 Exit, 3 Natural, 5 Enter, 6 Staining, 7 State, 8 Pence, 9 Shorn, 14 Atom, 18 Bent, 19 Tension, 20 Certain, 21 Abbot, 23 Ahead, 24 Write, 26 Alert, 28 Chair.

Europe can't shake unemployment

BRUSSELS (AP). - Western Europe's jobless rate is falling for the first time this decade, but economists say the turnaround is much too modest to signal the start of an employment boom.

"Far from it," said Rainer Rau, director of Chase Econometrics, an economic forecasting firm in West Germany. He and other analysts predict Europe will still be struggling with unemployment above the 10 per cent level in 1990 and beyond.

Oddly, this gloomy assessment comes at a time when other key areas of the European economy are flourishing. Business profits and investment are up, inflation and interest rates are down. The region's overall economic growth is expected to be the highest since 1979. But the momentum of a European economic recovery - now in its fourth year and gathering new strength from the collapse of oil prices - has started to chip away only slightly at the jobless ranks.

European governments have scored some recent successes in creating jobs, but most of the gains have been offset by increases in the number of people entering the labour force and by a further shedding of jobs in some old-line industries such as textiles and shipbuilding.

In the European Community, the average unemployment rate is projected to fall to 10.8 per cent from the labour force this year from 11.1 per cent last year - the first yearly decline since 1979, when it stood at 5.5 per cent.

The EC's Economics Service says the 12 member countries will add about 900,000 jobs this year - the fastest rate of employment growth since 1973. One million new jobs are expected in 1987.

West Germany alone will account for more than one-quarter of the EC jobs created this year, Rau estimates. France, on the other hand, is expected to register a net loss of 40,000 jobs after having shed 50,000 last year, the French National Statistics Institute says.



French shipyard workers battle riot police yesterday: not adjusting well to a changing employment picture. (Reuter)

Unemployment rates in Belgium, West Germany and the Netherlands came down a bit in May; in Italy, France and Britain they went up. The uneven nature of the recovery bothers some economists who are not convinced Europe's labour miseries are over.

"There is some improvement, but I don't think it will be sufficient to get unemployment down a lot," said Wouter van Ginneken, an employment analyst at the Geneva-based International Labour Organization.

He said Europe was far from matching the U.S.'s success in creating jobs and reducing its unemployment rate to 7.1 per cent. Europe's other major economic partner, Japan, has a 2.7 per cent jobless rate.

Manual Marin, EC commissioner for employment policy, said earlier this month that barring unforeseen economic changes, the jobless rate would remain above 10 per cent through the end of the decade.

That is a troubling prospect for a continent that in the 1960s and early 1970s grew accustomed to nearly full employment. In 1970, for example, West Germany's jobless rate was 0.6 per cent. France and the Netherlands had 1.3 per cent out of work, while Luxembourg had no unemployment.

Then came the first of two oil-price shocks that jolted the world economy and threw Western Europe into an economic tailspin from which it has yet to fully recover. High unemployment is one of its legacies.

So despite a decline in the average unemployment rate this year and possibly next year, the total number of people holding jobs still will be below the 1980 level, the EC Economics Service says.

Using the EC as a policy coordinator, European governments are beginning to follow the American lead by focusing on job creation in small business, particularly those in services and new technologies. At a summit meeting last month, EC leaders resolved to encourage the start-up of new businesses, simplify corporate tax laws and seek more

pan-European cooperation in developing new technologies. European leaders seem agreed that their top priority in industrial strategy should be promoting technological innovation.

A recent EC study said Europe's persistent job crisis was due in large part to the inability of key industries to compete in high technology fields. It said Europe had sought to protect traditional industries such as steel, where developing countries are now prominent, while neglecting more dynamic, high-growth industries such as electronics, information technology and precision equipment.

Substantial efforts are under way. In Belgium, for example, the regional government of Flanders invested \$55 million in a sophisticated microelectronics research laboratory that opened in June.

The Dutch and West German governments are kicking in one-third of the bill for a cooperative venture by Siemens AG and N.V. Philips to develop sub-micro-chip technologies for computers and to help Europe catch up with the U.S. and Japan in this field. There is also the French-inspired Eureka programme to boost cross-border collaboration in high technology.

One of the key questions for Europe as it struggles to reduce unemployment is whether it can develop a labour force with the needed skills and training. Leaders of the business community complain that too many European universities fail to tailor their courses for workplace needs. There is also a fear that millions of young and long-term unemployed are no longer willing or able to adapt to a changing labour market.

Jacques Delors, EC chief executive, told the European Parliament earlier this month that long-term unemployment was a grave threat to Europe.

"It's a cancer that oppresses our societies, increases inequalities and perpetuates...poverty and alienation."

050 100 100

MARKET PLACE

WILLIAM KEEGAN

Has the boom gone bust?

It's getting a little bit to panic proportions," said one New York dealer about the plunge in Wall Street last week.

Apart from the incongruity of "little bit" and "panic" in the same breath, I know what he meant. For months now the U.S. stock market has led world stock markets in a speculative rise that has borne little relation to underlying economic trends. There was bound to be a reaction. Nevertheless there has been a lot of panic talk.

To understand why Wall Street has fallen, one has to go back to the beginning of the year, and Reagan administration forecasts that the U.S. economy would go on expanding at a 4 per cent real annual growth rate.

These forecasts were made after the country had already experienced one of the biggest spurts of growth in its history. If expansion really was going to carry on like that, then the U.S. would certainly have discovered the secret of eternal boom. Yet this was what the markets seemed to be believing.

More recent information has suggested that in the first half of this year, the U.S. economy has expanded at about half that rate. Its sizeable energy sector has been hit by the falling oil price; the offsetting benefits of falling oil prices for incomes outside the energy sector have not yet come through. And there is a dawning realization that, instead of providing a miraculous stimulus to economic growth, the principal benefit of the falling oil price may simply be to mitigate the impact of the cyclical slowdown in the U.S.

Stock market prices essentially reflect present valuations of future flows of profits. If the market's assumption of future economic growth has taken a knock, this in itself is sufficient to explain the reaction on Wall Street. And since the U.S. is the principal non-communist economy, and every other country depends to some extent on its growth rate.

There is, however, the further question of the impact of the Supreme Court's ruling on the Gramm-Rudman amendment that requires cutting the U.S. budget deficit. The law was designed to make reductions in a certain level. The Supreme Court has ruled that the man who was to operate these cuts — the comptroller-general — would be acting unconstitutionally, because he is an officer of Congress itself. This offends the separation of powers principle on which the U.S. Constitution is based.

The government had made much of the Gramm-Rudman amendment in trying to persuade the outside world and the financial markets that it had got the deficit problem under control. The Supreme Court's ruling is undoubtedly a blow, and will have affected the psychology of the markets, although there is a reasonable chance that the Americans will think of a way round the present impasse.

Finally, we come to the question of interest rates and their effect on the stock markets. Since the average quoted company has a fair amount of interest to pay each year (either fixed interest debt or, more importantly these days, bank borrowing) the market obviously takes kindly to the prospect of interest rate falls.

When the market itself gets into a panic, its nervousness tends to be reflected in a rise of interest rates. The Federal Reserve responded with a half-point cut in its discount rate as a means of spurring the economy, which in turn led the leading U.S. banks to cut their prime rates, that is, the rate of interest offered to their best customers. Given the nervousness about the dollar, however, this should have been part of a co-ordinated move with the Japanese, so that the relative attractions of New York and Tokyo are unchanged. The Japanese, however, have not been forthcoming.

Of course, it is always possible that the Doomsday scenario could loom up: if the dollar goes into free fall then the Fed will be forced to steady it by raising interest rates.

It is the holiday — or, in the States, "vacation" — season, however, and much market activity consists of balancing the books before going away. The real test for Wall Street and economic policy generally may be in September and October, when the market returns in full strength to its desks, and more economic data is available about the extent of the slowdown.

(London Observer Service)

Bruno in talk with press

Consumer loans under scrutiny

By AVI TEMKIN
Post Economic Reporter
The Bank of Israel is currently examining the implications of the new consumer loans schemes recently introduced by the commercial banks, although it is clear that there is no reason to dramatize their effects, the Bank of Israel Governor Michael Bruno said yesterday.

Talking to reporters, Bruno said that at this stage the amount of credit granted under such schemes is small in proportion to the total credit in the economy and that credit volume in the economy is still within targeted limits. Nevertheless, Bruno indicated that the banks were encouraging increased consumption in their advertising campaigns accompanying the schemes, which is not

consistent with the goals of the economic stabilization plan.

Bruno said the central bank had no plans to intervene in the near future to change interest rates. "This does not mean that we will not intervene in the future if the need for such step arises; the change could go in either way," he said.

Referring to wage policy, Bruno said there was a growing awareness that at this point salary increases were impossible. "There have been cases of wage cuts in several private-sector firms that had granted excessive increases in the past," he said. The governor insisted that as long as there were no wage rises there would be no need to have a devaluation of the shekel.

"There is no reason to further reduce the inflation rate. For this it is necessary to observe fiscal discipline and wage restraint. The budget must be cut to offset recent excessive spending by the government," he said.

Bruno admitted that not all the recommendations of the Bejski Commission had been fulfilled. Some of the bankers who had been told to leave the banking industry entirely, like Raphael Recanat, Ernest Japhet and Aaron Meir, still occupy senior positions in the system. Nevertheless, Bruno said, there was nothing he could do beyond what he did in relation to Recanat, whom he moved to suspend from his post as chairman of Bank Discount.



Michael Bruno (Rahamim Israel)

Arab towns demand budgets equal to Jewish cities

Jerusalem Post Staff
SAKHININ — Arab municipal leaders are unlikely to call off their two-week old municipal strike unless they receive a concrete plan to make their budgets equal with those of Jewish municipalities.

Mohammed Ghar Jim, deputy chairman of the National Committee of Arab Local Councils, said this yesterday after a Knesset Finance Committee meeting during which council leaders were asked to call off the strike.

Finance Committee Chairman Avraham Shapira promised to meet with the finance and interior ministers within two weeks to seek a solution to the budget problem.

But Ghanayim said the Arab municipal leaders had heard such promises before.

"The problem is that the record [of promises] has repeated itself many times, and the local council leaders want action, not words," Ghanayim said.

Ghanayim said that the national committee representatives would try to persuade the rest of their membership to accept the Finance Committee's request when they meet to discuss the issue today in Nazareth.

But he stressed that many of the council heads want to continue to strike until they receive a concrete proposal which would bring about parity.

The councils are currently seeking a 50% increase in their 1986-87 basic budget allocation — and have offered to raise about a quarter of that through increased local taxation, Knesset sources said.

The Arab leaders have also asked the government to agree on a five-year plan to close the gap between Jewish and Arab municipal allocations. Arab municipalities receive only about one-third as much money from the government as comparably-sized Jewish communities, the leaders have said.

Ghanayim maintained that the Arab local council leaders were facing a dilemma on whether to continue the strike.

"On the one hand, we don't want confrontation or strikes," he said. "On the other hand, we do want to see progress and development and to provide our residents with proper municipal services."

"All we want is equality for all of the population of Israel," he said.

The Arab councils have been promised over the years that the government would equalize their budgets with those of Jewish local authorities, but nothing has been done, Ghanayim added.

In the Finance Committee meeting, Interior Minister Yitzhak Peretz acknowledged there was a gap between the Arab and Jewish sectors. But he cited budgetary limitations as an obstacle to ending the discrepancy.

Knesset sources said yesterday that they saw indications the council heads might call off their strike — at least temporarily — while negotiations continue, despite the reluctance of some leaders.

Outgoing Interior Ministry Director General Haim Kubersky conceded yesterday that the Arab local authorities had a legitimate grievance. Like a few of the development towns and some weak Jewish localities, they deserve government assistance, he said.

Suez Canal income was record \$1b.

CAIRO (Reuters) — Egypt earned a record \$1.03 billion in the year which ended on June 30, Canal Authority Chairman Ezzat Adel said Tuesday.

Adel said Egypt was studying a possible surcharge on the \$250,000 charged for nuclear-powered aircraft carriers using the canal. But he denied a U.S. report, which said Egypt had already doubled fees.

Hapoalim account offers high rates, flexible terms

By PINHAS LANDAU

Bank Hapoalim yesterday announced a new, flexible deposit account for periods of up to three months that offers higher interest rates than are currently available.

The deposits, which have not yet been graced with a special name or acronym, offer several new features. The most interesting is the option between variable-rate interest at prime, which is currently 1.25 per cent, plus 1.5 per cent, or fixed-rate interest for the period of the deposit, which can be one two or three months.

Hapoalim is now offering 17.5 per cent annualized interest for a one-month deposit, 18 per cent for two months and 18.5 per cent for three months. These rates are substantially higher than those currently available on Hapoalim deposits for one to two months, even for large sums.

The customer does not have to decide in advance for what term the deposit will be but is automatically credited with the best-paying alternative at the end of the period.

The whole deposit structure is designed to be extremely attractive but is only available until the end of this month. Deposit size is fairly liberal, however, with any amount from NIS 1,000 upwards being accepted.

Hapoalim apparently is in need of short-term funds and is prepared to pay over the market rates to get them.

"PETRO PUMPING" — Saudi oil output has jumped to around six million barrels per day, maintaining a strong rise that has helped to depress oil prices.

WORLD NEWS IN BRIEF

Dollar plunges to new low against the yen

LONDON (AP) — The U.S. dollar tumbled to a new Post-World War II low against the Japanese yen and a five-year low against the Deutsche mark in nervous, hectic trading yesterday.

Dealers said the dollar was retreating under signs of continuing sluggishness in the U.S. economy.

In Tokyo, where trading ends before Europe's business day begins, the dollar fell to a closing 158.30 yen, losing 1.55 yen amid small-scale Japanese central bank intervention. Later, in London, it was quoted at 158.75 yen.

The dollar hovered around 2.15 marks, its lowest since early 1981, and was substantially down against other European currencies. Even the British pound was up against the dollar despite being weakened by the latest fall in oil prices.

Traders said the dollar was hit by U.S. economic indicators for June pointing to a slowdown, Wall Street's slump and a gloomy forecast by Solomon Brothers analysts Henry Kaufman and Jeffrey Hanna.

BANKAMERICA CORP., the second largest bank in the U.S., said yesterday it lost a record \$640 million in the second quarter.

It was the second-largest quarterly loss for a U.S. bank since the great depression of the 1930s and runner-up to Continental Illinois Corp.'s staggering \$1.16 billion loss in the same quarter of 1984, which led to a bailout by the federal government.

Chief Financial Officer John Poel-

ker told Reuters that he was still "reasonably confident" the bank could return to profitability in the last six months of the year.

Bankamerica's modest \$63m. profit in the first quarter had raised hopes in the financial community that its recent dismal earnings performance had ended.

CHINA'S FIRST BANKRUPTCY since 1949, when the communists took power, was reported yesterday.

The official newspaper Workers Daily said an instruments factory in the northeastern city of Shenyang, warned last August to put its house in order, had gone broke because of bad management, heavy losses and debts it could not repay.

A Western diplomat in Peking said the news was a very significant step in China's economic reforms, indicating that a national bankruptcy law would be passed despite opposition from hard-line communist party members who regard bankruptcy as inhumane and capitalist. Shenyang is the first city in China to pass bankruptcy regulations and the results are being closely watched nationwide.

THE WEST GERMAN ECONOMY will grow 3.4 per cent this year and 3.1 per cent in 1987, with zero to 0.2 per cent inflation, lower unemployment and increased wages fuelling a consumer boom, the Organization for Economic Cooperation and Development (OECD) predicted yesterday.

The growth rate was 2.4 per cent last year, the improved rate reflecting lower oil prices and a firm deutchmark which will lead to 4.3 per cent rises in domestic demand both this year and next, the OECD said in its annual report on the German economy.

Tel Aviv Stock Exchange

MARKET STATISTICS

Indices:

General Share Index	113.05-0.64%
Non-Bank Index	130.30-0.41%
Arrangement	106.38-0.76%
Insurance	143.30-0.51%
Commerce, Services	155.09-0.78%
Real Estate	158.14-0.78%
Industrials	118.95-0.42%
Textiles	141.84-0.64%
Metals	112.18-0.43%
Electronics	93.73-0.10%
Chemicals	121.23-0.38%
Industrial Invest.	111.88-0.71%
Investment Cos.	130.14+0.15%
General Bond Index	110.01+0.08%
Index-linked Bonds	110.55+0.08%
Fully-linked	111.73+0.10%
Partially-linked	109.85+0.00%
Dollar-linked Bonds	98.94-0.07%
Short-term 0-2 yrs	108.79+0.00%
Medium-term 2-5 yrs	109.05+0.05%
Long-term 5+ yrs	108.35+0.02%

Turnovers:

Shares — total	NIS 5,590,000
Arrangement	NIS 2,145,500
Non-bank	NIS 3,434,500
Bonds — total	NIS 6,477,800
Index-linked	NIS 4,514,800
Dollar-linked	NIS 1,962,800
Treasury Bills	NIS 2,290,800

Share Movements:

Advances	91 (103)
Declines	6 (9)
of which 5%+	0 (1)
Declines	160 (149)
of which 5%+	17 (31)
Unchanged	116 (131)
Trading Halt	56 (40)

Bond Market Trends:

Index-linked	Stable/mixed to 1%
3% fully-linked	Stable/mixed to 1%

4.25% fully-linked	Stable/rises to 1%
80% linked	Stable/falls to 0.5%
Double-linked	Falls to 3%
Admiral	Stable
Rimon	Slight rise
Gilboa	Mixed to 1%
For Curr.	Falls to 0.5%
denominated	Stable
Treasury Bills	1.41-1.49%

Arrangement yields:

IDB Ord.	12.77%
Union 0.1	13.02%
Discount 1	13.56%
Mizrahi A	13.56%
Mizrahi B	12.98%
Hapoalim r	13.40%
General A	13.42%
Leumi stock	13.75%
Fin. Trade 1	10.84%

SELECTED PRICE QUOTATIONS

Name Price Volume %

100NIS change

Commercial Banks

Maritime 1	880	130	-0.1
Union 0.1	60700	72	-1.1
Discount	103000	183	-1.8
Mizrahi	32590	291	-
Hapoalim r	55000	2086	-0.2
General A	140500	25	-1.2
Leumi 0.1	34890	1282	-1.8
Fin. Trade	48750	-	-0.0

Commercial Banks

(not part of "arrangement")

General non-arr.

First Int'l

FIBI

Commercial Banks

(part of "arrangement")

IDB

Union 0.1

Discount

Mizrahi

Hapoalim r

General A

Leumi 0.1

Fin. Trade

Mortgage Banks

Leumi Mort. r

Dev. Mort.

Mishkan r

Tefahot r

Meirav r

Financial Institutions

Agric C

Ind. Dev. DD

Ciel Leasing 0.1

Insurance

Aparat 0.1 r

Hesner r

Phoenix 0.1

Trade & Services

Mail Expt

Supersol 2

Delek r

Lighterage

Cold Storage

Dan Hotels

Yarden Hotel

Hilton 1

Team 1

Real Estate, Building and

Agriculture

Azorim

Elion

Africa Isr. 0.1

Danier

Pro. Bldg.

Baystate 0.1

ILDC r

Rassoo r

Meiradim

Hederaim

Industrials

Dubek b

Pr-Ze 1

Sunfrost

Elite

Adger

Argem r

Delta G 1

Maquette 1

Eagle 1

Polgat

Schollerina

Elron

Arit

Ciel Electronics

Spectrom 1

T.A.T. 1

Ackersstein 1

Agan 5

Alliance

Diasura 1

Central Trade

Koor p

Ciel Inds.

Investment Companies

IDB Dev. r

Elion

Afik 1

Gahelot

Isrl Corp. 1

Wolfson 1

Hapoalim Inv.

Leumi Invest.

Discount Invest.

Mizrahi Invest.

Ciel 10

Landaco 0.1

Parna 0.1

Oil Exploration

Paz Oil Expl.

J.O.E.L.

Abbreviations:

s.o. sellers only

b buyers only

b registered

FINANCIAL DATA ISRAEL EUROPE U.S.

ISRAEL MONEY MARKETS July 16, 1986

SHEKEL INTEREST RATES
PRIME BORROWING RATE: 1.25% per month
Unlinked Deposit (Annual Rates)

	Last Updated	Tapas	Pakam 7-Day	Pakam 30-Day
LEUMI	14.7	7-14.5%	8-15.25%	9-13.75%
HAPOLIM	7.7	8-14%	9-14%	9-16.50%
DISCOUNT	13.7	8-15%	9-15.50%	9-17.50%
MIZRAHI	8.5	8-16%	9-16%	9-17%
FIRST INT'L	8.7	8-14%	9-14%	9-14%

Rates vary according to size of deposit.
(Tapas: demand deposit paying daily interest.
Pakam: fixed-term deposit available from 7 to 59 days.)

PATAH — FOREIGN CURRENCY DEPOSIT RATES (as of July 16)

	3-MONTHS	6-MONTHS	12-MONTHS
USD	6.000	6.000	6.000
STG	9.125	9.125	9.000
DMK	4.000	4.000	4.000
SFR	4.500	4.375	4.250
YEN	3.125	3.000	3.125

Rates vary according to size of deposit and are subject to change.

SHEKEL FOREIGN EXCHANGE RATES

	CHEQUES AND TRANSFERS		BANKNOTES		Rep.
	Buy	Sell	Buy	Sell	Rate
U.S.A. Dollar	1.4837	1.5013	1.46	1.53	1.4917
U.K. Sterling	2.2389	2.2670	2.20	2.20	2.2495
Deutch Mark	0.6888	0.6974	0.68	0.71	0.6926
French Franc	0.2195	0.2182	0.21	0.22	0.2145
Dutch Florin	0.6111	0.6187	0.60	0.63	0.6143
Swiss Franc	0.8503	0.8609	0.84	0.84	0.8543
Swedish Krome	0.2102	0.2128	0.21	0.22	0.2113
Norweg. Krome	0.1985	0.2010	0.20	0.21	0.1994
Danish Krome	0.1841	0.1864	0.18	0.19	0.1890
Finnish mark	0.2926	0.2983	0.29	0.30	0.2945
Canad. Dollar	1.0798	1.0934	1.06	1.11	1.0857
Austr. Dollar	0.9503	0.9822	0.89	0.98	0.9525
S. Africa Rand	0.5749	0.5821	0.45	0.50	0.5780
Belgian Franc	0.3308	0.3360	0.33	0.34	0.3355
Austrian Sch.	0.5737	0.5819	0.56	0.58	0.5711
Italian Lira	1.0025	1.0151	0.98	1.04	1.0077
Japanese Yen	0.9346	0.9463	0.92	0.96	0.9394
Jordanian Dinar			4.27	4.54	4.2320
Egyptian Pound			0.79	0.84	0.8070
	1.4574	1.4858			

THE JERUSALEM POST

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Having it both ways

THE LAST-MINUTE appeal yesterday by the editors of the two East Jerusalem newspapers *Al Mithaq* and *Al Ahd* to the Jerusalem district commissioner, Rafi Levy, to refrain from his stated intention of closing their publications down, is not reported to have yielded results. The rally in support of the appeal held by Palestinian journalists in front of the Interior Ministry, from which Mr. Levy operates, was evidently not too effective either.

Both newspapers, the one a weekly recently turned daily and the other an irregularly appearing magazine, are deemed a threat to the security of the state. For — so it is officially maintained — they are both at least partly funded by George Habash's PFLP and speak its hard line. But this was known when the authorities granted them their licences to begin publication.

Criticism of the Interior Ministry's intended move has come from both Arab and Israeli quarters. Speakers at a press conference organized by the Arab Journalists' Association of East Jerusalem eagerly pointed out that the closure of the newspapers would follow the closure of the Fatah offices in Amman. Although *Al Mithaq* and *Al Ahd* are both rejectionist and anti-Fatah, the speakers viewed the move as a first step, coordinated with the U.S. and Jordan, to crack down on PLO newspapers and organizations in the territories generally.

This may seem logical, even if not based on hard fact. Were Jordan actually to ask Israel to cooperate in minimizing PLO influence in the West Bank and Gaza, the request would indeed be difficult to reject out of hand. It is also true that Israeli censorship has lately been banning the publication of anti-Jordan articles and ads in the East Jerusalem press.

But the idea of closing down *Al Mithaq* and *Al Ahd*, it is reliably learned, was conceived before Fatah was booted out of Amman.

Approaching the issue from a different vantage point, the Israel Federation of Journalists, too, has voiced its displeasure with the move — on the ground that the two newspapers in question "are published by law in the State of Israel." This, it seems, is the first time the federation has taken such a step.

The federation is, however, right to complain — which is what it in effect does — that Israel cannot, as a matter of principle, have its cake and eat it, too: proclaim Jerusalem one and indivisible, the country's eternal capital, and at the same time treat East Jerusalem's Arab inhabitants as if they resided in an alien land. As if, for the purpose of Israel's law, they were simply Jordanian citizens subject to Jordanian jurisdiction — under which press freedom would be virtually non-existent, as it was in East Jerusalem between 1948 and 1967.

If East Jerusalem newspapers violate censorship regulations, or receive funds from hostile terrorist groups, they should be taken to court.

On the other hand, Arab journalists in East Jerusalem cannot have their cake and eat it, too, either. For they know only too well that the efflorescence of the Arab press in their part of town — four dailies, five weeklies, four bi-weeklies as well as monthlies and other journals — started only with Israeli control of the capital in June 1967, which they all so dearly wish to see ended. They are also well aware that they deliberately chose Jerusalem and not, say, Nablus, for their newspapers precisely because this town is part of liberal and democratic Israel, which to them remains an insufferable oppressor.

It is under Israeli administration that the East Jerusalem press has — with one pro-Jordanian exception — become a PLO organ. East Jerusalem journalists, were they to ponder the matter, might perhaps allow that Israel is, after all, entitled to look askance at the continued publication of a newspaper that not only trumpets the views of a group dedicated to the dismantling of the Jewish state but, in the case of *Al Mithaq* — Arabic for covenant — brazenly proclaims its commitment to the PLO's bloody-minded covenant in its very title.

The real issue in the entire affair, therefore, is not principles, but whether it is all worth the bother and the commotion.

Driving a wedge between the PLO and the Arabs in the territories is a worthy enough purpose, but it will not be achieved by closing down a couple of pro-Habash newspapers with negligible circulation. Nor is this purpose likely to be achieved even with the closure of all East Jerusalem newspapers: their readers receive the PLO message loud and clear over Arab radio and television, listening to which will not, it may be assumed, be declared an offence.

Army turns blind eye

SOME FIVE months ago the chief army chaplain in Judea and Samaria sent the troops in his area a 1,000-word pastoral letter urging them to apply to Israel's enemies today the biblical injunction of extirpating the Amalekites. Rav-Seren Rabbi Shmuel Derlich was not ignorant of the fact that, in modern terms, what he was advocating was genocide. He merely thought — arguing that that effect from the sources — that genocide remained the right and proper treatment for the Amalekites.

The chief army chaplain in Judea and Samaria would not identify the present and still unextirpated heirs of Amalek, except to point to the Germans as a perfect latter-day example of Amalekism. But he left not the slightest doubt in any educated mind that the main object of his diatribe was the Arabs. Not least the Arabs in Judea and Samaria.

When the IDF's chief education officer discovered this pastoral obscenity he was appalled. The IDF's spokesman, however, dismissed any criticism of it as a tempest in a teapot. After all, the rabbi had only spoken of killing all Germans, not all Arabs. Rabbi Derlich made the same point when challenged to explain himself. Nevertheless the matter was referred to the judge advocate general for his opinion.

Last week the judge advocate general ruled that no offence had been committed by Rabbi Derlich, for he had not clearly identified the Arabs as the Amalek that is today only waiting for an opportunity to destroy the Jewish People. Still, the judge advocate general recommended that military chaplains refrain in future from making politically-tinged proclamations.

But why should they? In his own eyes, and the eyes of 40 military chaplains in the reserves who came out to support him, Rabbi Derlich had issued a strictly pastoral letter, halachically unimpeachable, with which even the judge advocate general could find no fault. Apparently, as long as it is in code, the army sees no blemish in such rabbinic incitement.

The British experience with a security affair

DANIEL BEN-YA'AKOV

THE BRILLIANTLY-expounded article on the GSS affair by Arye Naor (July 11) brings to mind some facts which may interest some persons of good will who sought an inquiry into the matter. They reflect the experience of a democracy far older than ours — England's.

I voice no opinions of my own concerning this issue; but restrict myself to those of an authoritative and highly credible book by a distinguished British journalist, Chapman Pincher, whose close and confidential links with the British secret services have been known for some time.

In *Their Trade is Treachery*, (Sidgwick & Jackson, London, 1981), Chapter 23 is headed "Should there be an Inquiry?" I quote:

"Following official disclosures about the treachery of Anthony Blunt inside MI5, and previously, about Philby's activities inside the Secret Service, there were demands... for some form of inquiry into both organizations. MP's of all parties felt that Parliament and the public had need of reassurance concerning the loyalty, efficiency and accountability of the two services... To anyone who has the genuine interests of MI5 and the Secret Service at heart... there are basic objections to an outside inquiry of any kind. As regards MI5, it is an 'illegal' organization... the Secret Service is largely in a similar position... especially in the field of counter-espionage, the Security Service can function with effect only by illegal acts... They have frequent need for false pretences..."

British governments both right and left had favoured retaining this degree of illegality, anomalous though it may seem, Pincher says. Even Intelligence officers who de-

plored the way the KGB's penetration of MI5 and the Secret Service had been concealed, were convinced that such organizations could only operate in total secrecy.

The kind of public inquiry following Watergate did enormous and probably irreparable damage to the defences of the Western world... asserts Pincher.

After Britain's Navy secrets spy trials, he recalls, Harold Macmillan, the prime minister, was accused that no serious leakage of information to the Russians had taken place. But he rightly suspected he was being bamboozled. Sir Anthony Eden was kept in the dark about the Crabb naval espionage effort.

"In my opinion, and in that of experienced security officers whom I have consulted," writes Pincher, "any inquiry except by people with personal knowledge of security and Intelligence operations would be of little use... This rules out the kind of judicial inquiry carried out into the Profumo Affair by Lord Denning. A judge, used to the rules of evidence and experienced in normal legal cases, is not fitted to give an opinion on counter-espionage or Intelligence operations which depend on methods quite different from those used by the police..."

IT WILL NOW be asked, what is to be done? There are two distinct problems. First, in accordance with British practice at the outbreak of World War II, a special watch committee can be established.

Churchill picked Lord Swinton (who in 1935, as Sir Philip Cunliffe-Lister, had succeeded Lord Londonderry as secretary of state for air), to head a group of three, which in-

cluded an admiral of the Royal Navy. In addition, Churchill's friend, William Stephenson, became chief of another British security organization based in New York. This did not avoid all problems, which was impossible, but allowed great work to be done in comparative safety.

The second problem is infinitely more delicate — nay dangerous — for it would seem that the Israeli armed forces have been mortally offended by the slur mendaciously, and quite unnecessarily — cast upon a most gallant officer, Aluf Yitzhak Mordechai.

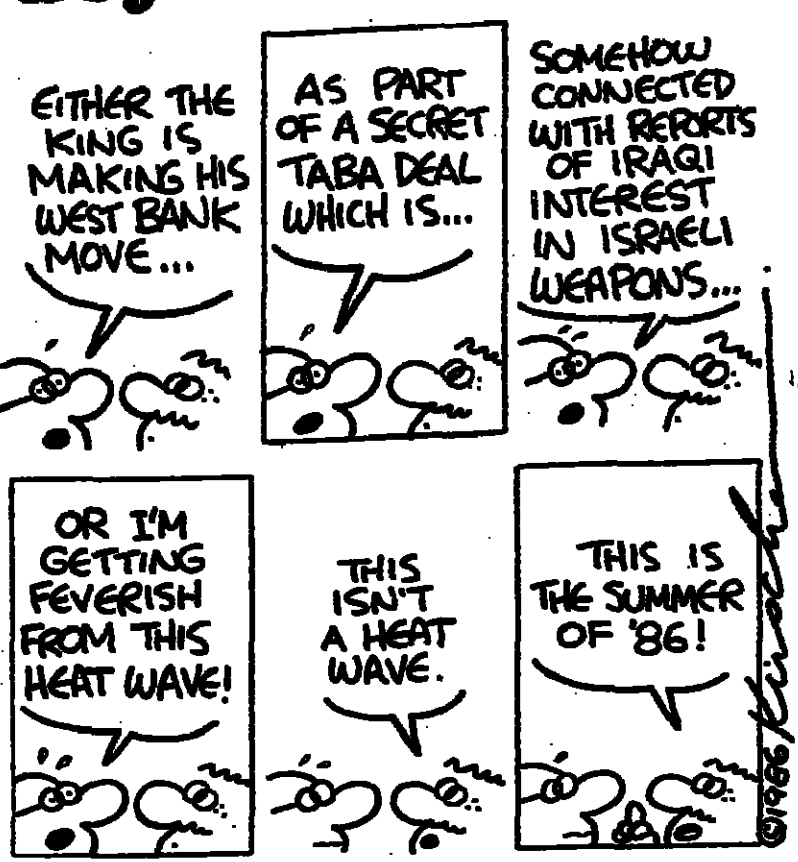
Unlike my good friend Arye Naor, I have no opinions on the subject of the former prime minister, or the former or new attorney-general.

No technical expert can allow himself the immensely comforting luxuries known as opinions; even as the greatest foreign secretary of them all, Lord Palmerston, never had a principle in his life, but made do with his native sense of personal honour, genuine charm, and a boundless patriotic zeal — qualities which endeared him to a great and formidable nation.

Finally, there is the most curious aspect of this whole "affair," albeit totally insignificant; namely, the killing of two murderous outlaws apprehended in the act. For many centuries, the Jews had reason to inquire into the killing of Jews by various types of anti-Semitic murderers; now, the murderers or would-be murderers are being killed by Jews as a matter of course. This would appear to be a most commendable change.

The writer is a military historian.

Dry Bones



Danger in sanctions against Pretoria

CHARLEY J. LEVINE

HEAD-ON differences of opinion between different Diaspora communities on controversial political issues are rare these days, but the increasingly popular demands for economic retreat from South Africa hold the potential for precisely such a clash.

While international attention has been focused on black violence and government counter-measures, in Washington, D.C. the spotlight has been on economic issues. A special lobbying push has been aimed at defeating the Reagan Administration's policy of "constructive engagement" — pressuring South Africa to reform its discriminatory policies through existing economic and diplomatic leverage. A tougher set of measures that would ban new U.S. investments, deny landing rights in America to South African Airways and halt U.S. bank loans to South Africa's private sector are under discussion and finding favourable sentiment in Congressional hearings.

American Jewish organizations have generally played a supportive role in the campaign against continued investment in the South African economy or remained silent on the issue.

The 110,000-strong Jewish community of South Africa, however, is virtually united in opposition to international sanctions, although for different reasons. Jewish businessmen are obviously concerned about the negative impact such moves toward isolation would bring, while Jewish liberals argue that sanctions would seriously hurt the people whom the steps are aimed at helping, millions of black workers.

Businessman Mendel Kaplan, chairman of his country's IUA fundraising apparatus, notes that Jews play a highly visible role in the economy. They represent no less than 10 per cent of Johannesburg's white population (the city has a Jewish mayor), and account for as much as "25 per cent of the city's economic activity," according to Kaplan. He has just written a book, *Jewish Roots in the South African Economy*, which chronicles a record of deep involvement and considerable achievement.

Zionist Federation chairman Julius Weinstein concurs. "Every Jew here would be affected if these sanctions take place."

Dr. I. Abramowitz, president of the World Jewish Congress-affiliated Board of Jewish Deputies as well as his country's B'nai B'rith, acknowledges that "change will come, is coming," but deplores the threat of world-wide economic coercion.

"We are unhappy about divestment moves and we are against the practice. It is not a solution; it is destruction. We need moderate influences to work together to solve our problems, not drastic pushing. Moreover, divestment could spell real danger for us. Blacks here have misconceptions that Jews are hundreds of thousands in number and control big business in South Africa. If we are hit and have to fire workers as a result, their first instinct will be to blame the Jews."

IT IS the plight of these black workers that accounts most for veteran civil rights advocate MP Helen Suzman's opposition to divestment.

"Pressure is fine, but divestment is bad. The effects will be disastrous. We have no social-security net here, and hundreds of thousands of blacks will be the first to suffer, not only the blacks of South Africa but in the surrounding states."

Her views are shared by fellow MP from the Progressive Federal Party, and the "shadow finance minister" of the official opposition, Harry Schwartz. "Disinvestment is bad for South Africa and bad for peaceful change. It will stunt economic growth and that limits the prospects for peaceful change."

The communal leadership is disappointed and sometimes angry at the perception that American Jewish organizations have jumped on the divestment bandwagon.

Dr. Abramowitz says that such bodies are "falling over themselves to join the anti-South Africa trend, almost to the point of it being a neurosis." He feels that such moves are more motivated by U.S. Jewish needs to "build bridges to American black organizations" than to really ameliorate the situation in his country.

The writer is a public relations consultant in Jerusalem.

READERS' LETTERS

IN REMEMBRANCE OF THE SPANISH REPUBLIC

To the Editor of *The Jerusalem Post* Sir, — On July 19, 1936, 50 years ago, Jose Sanjurjo and Francisco Franco, generals in the Spanish army, sullied their uniforms and betrayed the Republic. They were not alone in their treason.

Munich was not the first surrender: the Committee for Non-Intervention, mainly France and England, denied succour to the Republic while allowing a free hand to Hitler and Mussolini to destroy it.

The bombers that spread fire and horror on London and Coventry, were trained on civilian targets in Spain.

Lidice, in Czechoslovakia, and Oradour-sur-Glane, in France, were not the first to be razed: Guernica preceded them.

The murder of hostages was not a crime that branded only the Nazis. Franco's rebels executed as "rebels" civilians loyal to the Republic: remember Federico Garcia Lorca.

And then, when it was finished, the Spanish Republicans shared with the Jews in Hitler's occupied countries the inhumanity of transit camps, of borders without visas, of ships without ports, of the unending pain of exile.

The end of Hitler and Mussolini and their demonic regimes was not to be for Franco. While Hitler committed suicide and Mussolini's body swung from the gallows, Franco remained in power. Reward for new betrayals against his masters and allies? Sordid considerations result-

ing from the "cold war"? History will tell. But the blue shirts of the Falange continued to parade along the streets of Spain, years and years after the black and brown shirts disappeared in shameful oblivion.

While Hitler was buried under the ruins of Berlin and Mussolini's grave is in some forgotten place in Italy, Franco lays in the horrid magnificence of *el Valle de los Caídos*, a mausoleum built with forced labour of political prisoners.

We cannot, we should not forget. The least we owe to the Republic of Spain is the fidelity of remembrance. I humbly offer mine.

ABRAHAM DAROM
(Ambassador of Israel, retired)
Tel Aviv.

WALDHEIM'S OPPORTUNITY

To the Editor of *The Jerusalem Post* Sir, — Dr Kurt Waldheim, the new president of Austria, now has a great opportunity to prove how wrong his critics are. He can move the Austrian Embassy to Jerusalem.

In spite of his international stature as former Secretary-General of the United Nations, Dr Waldheim has been accused of base anti-Semitism. By moving the embassy to Jerusalem, he would utterly silence those critics.

In the recent election campaign, he repeatedly professed his opposition to anti-Semitism; this move would prove in works what he professed in words.

HAL RONNING
Board Member
International Christian Embassy
Jerusalem.

PORTUGUESE CONTRIBUTION

To the Editor of *The Jerusalem Post* Sir, — I am engaged in research into the contribution of the Portuguese towards helping Jewish refugees during World War II and should be most interested to hear from any of your readers with information or personal recollections of organizations or individuals, especially Aristides Mendes, who gave assistance to those fleeing from the Nazis.

P. NEWMAN
The University of Leeds,
Leeds, England.

PILGRIM GROUPS

To the Editor of *The Jerusalem Post* Sir, — In early May, while descending the staircase from the height of Masada to the cable car, a voice from the top screamed "Stephen Day, the next time you come here you will be thrown out." It was an Israeli guide. He got my last name wrong, but he also caused my group to wonder if his incivility, crudeness and puerile outburst were typical of what they could expect. We had only been in Israel three days.

Apparently this was a prelude to what was reported in *The Post* on June 18. "Tour guides to bar some groups from sites." The sin: some priests are leading groups without hiring an Israeli guide. I confess, I am guilty. I am guilty of being a Franciscan. We have been custodians of the Christian Holy Places for 700 years. I am guilty of bringing 25 groups in the past 10 years. Over 1,000 people have come to Eretz Israel because I organized them and convinced them to come. I am guilty of providing a spiritual pilgrimage that many have told me was one of the greatest experiences of their lives. I am guilty of having graduate degrees in biblical and archeological studies, and of sharing my expertise with them on each trip. I am guilty of begging and cajoling four groups of pilgrims not to cancel this year so as to be able to return home and dispel the anxieties of others who then might come.

Most of all, I am guilty of not warning them that the biggest tension they would meet in Israel would come from the guides. If they are to "block groups... from visiting tourist sites," then the obvious conclusion would seem to be to divide visitors to Israel into two groups. The guides could take their tourist groups only to tourist sites and only pilgrims would be admitted to religious sites.

Rev. STEPHEN C. DOYLE, OFM
Weston, Mass.

SOUTH AFRICA

To the Editor of *The Jerusalem Post* Sir, — It is heartening to observe the concern of the international community over the system of apartheid in South Africa. And not only is there concern, but also a significant degree of action in response to the repression in that country.

But why is South Africa singled out? The world does not lack other ghastly examples. In Saudi Arabia, the slavery of blacks continues to this very day. The practice of a religion

other than Islam is unthinkable. Why is the world silent?

In the Soviet Union, human rights and political beliefs are stifled by a system as rigid and merciless as any in South Africa.

The world, alas, offers other examples.

Yes, protest and action are needed for South Africa. But why let other countries and their abominable practices go scot-free?

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POSTSCRIPTS

P.S. IN ENSCHEDE, a Dutch provincial town near the German border, a registrar recently solemnized a marriage between two Vietnamese boatpeople in Dutch and in Hebrew.

Dutch ship; the girl landed via the Philippines in Israel. There she worked in Ashdod as a seamstress, learning Hebrew. The two later met when the girl was in Holland for a holiday.

Eighteen-year-old Thua Nheuyn and Tan Huynh Thi, his bride of 19 years, both left South Vietnam in 1979. The boy was picked up by a

A member of the small Jewish community in Enschede, a Mr. De Leeuwe, who is a registrar of births, marriages and divorces, conducted the unusual ceremony.